

The following-named boatswains to be chief boatswains in the Navy, to rank with but after ensign from the 27th day of March, 1922:

Thomas M. Buck.  
William Martin.

Gunner Charles A. Kohls to be a chief gunner in the Navy, to rank with but after ensign from the 3d day of December, 1921.

The following-named gunners to be chief gunners in the Navy, to rank with but after ensign from the 16th day of December, 1921:

Daniel McCallum.  
Robert Semple.

Gunner Jesse J. Alexander to be a chief gunner in the Navy, to rank with but after ensign from the 7th day of March, 1922.

Machinist Cyrus S. Hansel to be a chief machinist in the Navy, to rank with but after ensign from the 17th day of January, 1918.

Machinist Ernest J. Leonard to be a chief machinist in the Navy, to rank with but after ensign from the 28th day of December, 1920.

The following-named machinists to be chief machinists in the Navy, to rank with but after ensign from the 30th day of November, 1921:

Alfred E. Raue.  
Albert H. Mellien.

#### CONFIRMATIONS.

*Executive nominations confirmed by the Senate July 21 (legislative day of April 20), 1922.*

##### COLLECTOR OF CUSTOMS.

John A. Royse to be collector of customs, district No. 40, Indianapolis, Ind.

##### REGISTERS OF THE LAND OFFICE.

Robert E. Patterson to be register of land office, Duluth, Minn.  
Claude C. Turner to be register of land office, Dickinson, N. Dak.

##### POSTMASTERS.

##### CONNECTICUT.

Carleton W. Tyler, Southbury.

##### NEW JERSEY.

John A. Campbell, Highwood.

##### NEW YORK.

John C. Bansbach, Hicksville.

##### NORTH CAROLINA.

Robert L. Strowd, Chapel Hill.

Oscar R. Simpson, Duke.

Clarence C. Rowe, Spray.

##### PENNSYLVANIA.

Benard Peters, Brackenridge.

William E. Reed, Duquesne.

Edward R. Dissinger, Mount Gretna.

Frederick C. Patten, Narberth.

William S. Tomlinson, Newtown.

##### TEXAS.

Wallace C. Wilson, McKinney.

Sallie P. Lunday, Naples.

Robert E. Johnson, Pecos.

Lotta E. Turney, Smithville.

Mary Lovely, Weslaco.

#### SENATE.

SATURDAY, July 22, 1922.

(Legislative day of Thursday, April 20, 1922.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

##### THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7456) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes.

Mr. McCUMBER. Mr. President, I think before we open up the discussion of the woolen schedule we had better have a quorum. I therefore suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Harrell	McLean	Smoot
Borah	Heflin	McNary	Spencer
Brandagee	Jones, N. Mex.	Moses	Stanfield
Broussard	Jones, Wash.	Nelson	Trammell
Cameron	Kellogg	New	Underwood
Capper	Kendrick	Nicholson	Wadsworth
Cummins	Keyes	Norbeck	Walsh, Mass.
Curtis	Ladd	Overman	Walsh, Mont.
Dial	Lenroot	Phipps	Warren
Fernald	Lodge	Rawson	Watson, Ind.
Frelinghuysen	McCumber	Sheppard	Willis
Gooding	McKinley	Smith	

The VICE PRESIDENT. Forty-seven Senators have answered to their names. A quorum is not present.

Mr. McCUMBER. I move that the Sergeant at Arms be directed to procure the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

Mr. POMERENE, Mr. STERLING, and Mr. SWANSON entered the Chamber and answered to their names.

The VICE PRESIDENT. Fifty Senators have answered to their names. A quorum is present.

Mr. McCUMBER. I ask unanimous consent that when the Senate closes its session on this calendar day it take a recess until Monday next at 11 o'clock a. m.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCUMBER. I now ask that the Senate proceed to the consideration of the wool schedule, and I desire the attention of Senators for just a few minutes.

Mr. SMITH. I had intended to ask that I might be permitted to read a short editorial which appears in one of the newspapers of South Carolina pertaining to the cotton industry, which is so closely allied to the wool industry, but if I can obtain the floor after the Senator from North Dakota shall have concluded his introductory remarks on the wool schedule I shall then read the editorial in question.

Mr. McCUMBER. Mr. President, in the act of 1909 we imposed a duty of 11 cents per pound on imported wool in the grease. The purpose of that law was to give to the producer of wool in the United States a protection of 11 cents per pound. It was assumed in giving that protection that there would be a loss of about 66½ per cent between the wool in the grease and the scoured content, including other losses. Therefore we gave to the manufacturer of woolen products a differential equivalent to 33 cents per pound upon the scoured content, or three times the amount accorded to the producer of wool in the grease.

The actual working out of that law was this: The importers did not import wool that lost 66½ per cent in scouring, but, on the contrary, as they imported the article the wool off the belly, the legs, the neck, and so forth, of the sheep had been skirted away, so that the allowance for scouring loss was entirely disproportionate. So, while we gave the manufacturer a compensatory duty equivalent to 33 cents per pound of the scoured wool, he actually in the importing had to pay only about 18 cents, and had the advantage of the difference between 18 cents and 33 cents. The farmer and the producer of wool, instead of getting an advantage or a protection of 11 cents, according to the Tariff Commission report, secured an advantage, I think, of 7.6 cents per pound.

In remodeling the tariff law, in the pending bill we have taken extra precaution to guarantee that the producer of wool shall have the equivalent of 33 cents upon the scoured content. Therefore we have provided for a duty equivalent to 33 cents upon the scoured content as it enters the ports. However, instead of using the exact term of 33 cents it was thought best by a majority of the committee to make a large number of brackets, which would allow for a difference of opinion between the importer and the appraiser. Therefore we divided the schedule into brackets which would practically be in each instance the equivalent of 33 cents. As one of the committee, I am impressed, however, that it would have been better to have simply declared for a 33 cents per pound duty upon the scoured content; but the majority of the committee decided otherwise. I think there is very little difference in the matter, at any rate, and it is only a question of administration.

Mr. President, we have allowed in the compensatory duty to the manufacturer the full equivalent of 33 cents per pound upon the scoured content, and have also made allowance for losses, so that the manufacturer will secure the same differential protection that he secured in the law of 1909; but he will not be allowed to take advantage of a difference which he obtained in importing goods with a very low loss. Therefore the farmer will secure the benefit of the full rate.

Mr. President, there is one exception to this rule, and that is in the skirted wools that are used for carpet purposes. Under the old law we ascertained that, while the carpet wools

were upon the free list, some of those carpet wools were actually used in the manufacture of clothing. Therefore in order to guard against the use in clothing of the wool on which no duty is paid we provide that the carpet wool, which is a low grade of wool scarcely fit for the manufacture of clothing, may be imported in bond, and upon a showing that none of it has gone into the manufacture of clothing the duty may be rebated or refunded.

Notwithstanding the fact, Mr. President, that the spread of the wages between the foreign producer and the American producer has very materially widened compared with the spread in 1909 and 1910, we have given a duty for protection as distinguished from a duty for compensation which will average on the ad valorem basis considerably less than the law of 1909.

Mr. President, the details of this schedule will be discussed as we consider each item. I simply desire to make this general statement in order that the Senate may have an understanding of about what the committee has purposed to do in formulating the wool schedule.

Mr. JONES of New Mexico obtained the floor.

Mr. LENROOT. Mr. President, will the Senator from New Mexico yield to me? I should like to ask the Senator from North Dakota a question.

Mr. JONES of New Mexico. I was just going to ask the Senator from North Dakota a question.

The PRESIDING OFFICER (Mr. SPENCER in the chair). Does the Senator from North Dakota yield the floor?

Mr. McCUMBER. I have yielded the floor, but I will respond to a question if I can answer it.

Mr. JONES of New Mexico. I merely wish to ask a question. I observe, Mr. President, the difference between the so-called compensatory rates under this bill and the compensatory rates under the act of 1909. Under the act of 1909 on the finer grades of cloth there was allowed for wastage—presumptively that was the purpose of the allowance at that time—11 cents a pound; in other words, the compensatory duty on the finer grades of cloth was 44 cents a pound. That was intended to cover the 33 cents a pound on the clean content and allow another 11 cents a pound for the loss in wastage in the manufacture. I observe that under the proposal which now comes to us the allowance for wastage is increased to 16 cents per pound on the higher grades and on the lower grades in like proportion. I wonder whether the Senator from North Dakota or the Senator from Utah desires to make an explanation of that at this time.

Mr. SMOOT. I am perfectly willing to explain it at this time or at any other time. If the Senator desires, I will make the explanation now.

Mr. McCUMBER. I think the Senator from Utah has more of an expert knowledge and can better explain the intricate details of the schedule than can I, and I will ask him to reply to the Senator.

Mr. SMOOT. Mr. President, it is true that in the Payne-Aldrich law the rate upon wool in the grease was 11 cents; upon washed wool 22 cents; upon scoured wool 33 cents, and the compensatory duty on the cloth was 44 cents. In other words, upon the cloth the duty was four times the amount imposed upon the wool in the grease. The manufacturer did not pay a duty of 11 cents on wool in the grease—

Mr. JONES of New Mexico. Mr. President—

Mr. SMOOT. If the Senator will allow me, I should like to complete the explanation and then I will be glad to answer any question, because I think it is better to take the question up and carry it through consecutively, from wool in the grease to the cloth.

The real duty, Mr. President, upon wool in the grease that the manufacturer was compelled to pay because of the lighter shrinkage of wools that were imported from Australia and other foreign countries on account of the skirting and other processes referred to by the Senator from North Dakota—and I shall not go into them—and the protection the woolgrower received instead of being 11 cents a pound was on the average about 6 cents, and in some cases only 5 cents a pound, and on fine clothing 7.8 cents a pound instead of 11 cents. Therefore the manufacturer could well afford to have a compensatory duty of only 44 cents a pound because of the fact that four times 7.8 cents is only 31 cents, and he received 44 cents. No matter what the shrinkage may be, the duty on scoured wool is 33 cents a pound in the pending bill.

Mr. President, this bill makes provision to cover the actual loss in the scoured wool in each process beginning with the tops and ending with the cloth, and so that you need not take my word as a manufacturer of wools I will read what the Tariff Commission says.

The Tariff Commission, on page 3528—

Mr. JONES of New Mexico. Mr. President, I think the question I asked can be answered without going into that. I realize that what the Senator from Utah says is absolutely correct, but nevertheless it is a fact that the Payne-Aldrich law, the act of 1909, was framed upon the scientific theory that the amount of the duty on the cleaned content was 33 cents a pound, and the manufacturers at that time thought that an addition of one-third was quite sufficient to make up the wastage in manufacture.

Mr. SMOOT. Why, certainly they did, because 3 times 7 is 21, and instead of 33 they had 21, or a difference there of 12 cents, and the 12 cents added to the 11 cents made 23 cents.

Mr. JONES of New Mexico. Does not the Senator know that the producers of this country were told at that time that the tariff upon raw wool amounted to 33 cents a pound on the cleaned content, and that the compensatory duty allowed to the manufacturer was only 11 cents a pound upon the finest class of woolen goods to compensate for the loss in manufacture, or 44 cents a pound; and was it not stated to the country at that time that this was a protection to the woolgrowers of the country of 11 cents a pound on the wool in the grease, and was it not figured out on the basis of 33 cents a pound on the cleaned content?

Mr. SMOOT. I have said it so many times in all parts of the country that I do not think it is necessary for me to repeat it now; and I want to say to the Senator now that the 11 cents a pound differential between the scoured content of wool and the manufacture of fine clothing is not sufficient. Take 100 pounds of fine cloth made from scoured wool and it will require 150 pounds of cleaned wool to make it.

Mr. JONES of New Mexico. In the preparation of the Payne-Aldrich bill, was it not conceded by the manufacturer and was not that bill framed upon the theory that 11 cents a pound, or 33 per cent additional, was sufficient to measure the wastage in the manufacture?

Mr. SMOOT. Yes; taking it as a whole and step by step from the grease wool, that was what was claimed.

Mr. JONES of New Mexico. It is proposed now, where we have an actual duty of 33 cents a pound upon the scoured content, to increase that differential to 16 cents a pound?

Mr. SMOOT. That is true in some cases, and it is absolutely necessary.

Mr. JONES of New Mexico. The Senator now says that it is absolutely necessary. It is upon that point that I want to hear from the Senator at length, because at the time the Payne-Aldrich bill was framed it was considered that a differential for wastage of one-third was ample; and the distinguished Senator from Idaho [Mr. GOODING], in a speech during this session of Congress, I believe, contended most earnestly that 11 cents a pound was too much. Now the Finance Committee brings in here a bill increasing that differential from 11 cents to 16 cents, when the Payne-Aldrich bill was prepared upon the theory and accepted by the manufacturers of this country upon the theory that that increase of one-third was sufficient. The distinguished Senator from Idaho, who at one time was president of the Woolgrowers' Association of this country, made a year's study of this question, and came on the floor of the Senate and deliberately told us that that theoretical difference of 33 cents upon the scoured content under the Payne-Aldrich bill was too much, and the Finance Committee now increases that by a very material percentage—from 11 cents a pound to 16 cents a pound.

Mr. SMOOT. The Senator did not let me finish my statement, or I would have called attention to the fact that the 49 cents is only on goods where the thread is all of fine wool, entering into fine kinds of cloth.

The Senator will find rates where a compensatory duty of that amount is not given. It all depends upon the value of the goods and the size of the thread whether or not the compensatory duty of 16 cents is given; and I want to say to the Senator now that is exactly what the Tariff Commission says is necessary, and it is necessary. I know it as a manufacturer.

Mr. JONES of New Mexico. Mr. President, the other rates upon different kinds of cloth, however, provide for a compensatory duty relative to this increase, do they not?

Mr. SMOOT. Relative as to the size of the thread or the cost of the yarn, certainly; but in some cases there is only a duty of 40 cents, and that is 7 cents difference, while in the Payne-Aldrich bill they all had a duty of 44 cents or a difference of 11 cents. It did not make any difference whether the fabric was half cotton, it did not make any difference whether they were virtually all cotton with but one thread of wool. If there was one thread of wool in it, the duty was 44 cents. This bill does not have any such provision. This bill provides that the duty shall apply wherever the yarn is in chief value of wool. That is one thing that made the Payne-Aldrich bill so open to

criticism and caused the criticism in the United States against it. In other words, a dozen blankets were brought into the United States under the Payne-Aldrich rates. Those blankets were all cotton with the exception of the wool border; and because those cotton blankets had a wool border they carried the full rate of 44 cents a pound, bringing the duty on the blankets up to 485 per cent.

Mr. POMERENE. Mr. President, will the Senator advise us what was the phraseology of the bill at that time, if he has it before him, which would authorize that?

Mr. SMOOT. "Any part of which was wool"; not "of chief value." All they had to do was to put one thread of wool in it, and there was wool in it, and it carried that rate. There is no such provision in this bill. It is cut out; and now I want to say to the Senator that this is what our Tariff Commission said:

Applying this, the correct arithmetical method of finding the proper ratios for the compensatory duties, the rates should be: For tops, 1.111 times the duty on scoured wool; for yarns, 1.207 times the duty on scoured wool; for fabrics, 1.500 times the duty on scoured wool.

Mr. GOODING. Mr. President—

Mr. POMERENE. Mr. President—

Mr. SMOOT. Just a moment, and then I will yield. Taking 33 cents in the case of all-wool fabrics, one-half of 33 cents is 16½ cents; 33 and 16½ is 49½ cents, and the committee in all cases have made it 49 cents. I will say now that there is no woolen manufacturer in all the world who can take less than 150 pounds of wool and start it through the picker and bring it out into fine cloth without that loss, and if it is a fine wool thread made into the goods—

Mr. POMERENE. Mr. President, the Senator was reading from page 3528?

Mr. SMOOT. Page 3528.

Mr. POMERENE. I understood the Senator to say that that was the finding of the Tariff Commission. It seems to be the testimony of Mr. John P. Wood.

Mr. SMOOT. Mr. President, it is the testimony of John P. Wood, but he is only quoting the Tariff Commission's figures.

Mr. POMERENE. I wanted to be advised. The Senator wants to be right about it.

Mr. SMOOT. Yes; I do, certainly; but John P. Wood quotes the Tariff Commission's figures.

Mr. POMERENE. This statement is made under the heading:

Statement of John P. Wood, Boston, Mass., representing the National Association of Wool Manufacturers.

Mr. SMOOT. Certainly.

Mr. POMERENE. What I have read is from page 3525.

Mr. SMOOT. That is right; and I will show the Senator the report just as soon as the experts find it. The Senator can figure the rates out himself, or it will take me a few moments to do it.

Mr. POMERENE. I do not ask the Senator to disturb the thread of his thought.

Mr. SMOOT. The report of the Tariff Commission on Schedule K, page 626, figures them out on the rate of 25 cents on the scoured content that was provided for in the House bill, and the Senator will find that the percentages are approximately the same.

Mr. JONES of New Mexico. Mr. President, the Senator has criticized in very severe terms the provisions of the Payne-Aldrich bill. I will ask him if he did not vote for that bill?

Mr. SMOOT. I did; and I will say to the Senator that I named the cause that brought forth the criticism; but if the Senator will investigate he will find out that there were never any blankets brought into the country except the 12 pairs that were brought here as samples. I said upon the floor of the Senate that such a thing never happened with regular commercial goods, and it never has happened; but it gave everybody in this country a chance to point to one importation of 12 blankets, with the rate of 485 per cent, and nobody could deny it. It was true.

Mr. JONES of New Mexico. The Senator understood what the effect of that bill was at the time he voted for it, did he not?

Mr. SMOOT. Why, certainly; and I called the Senate's attention to the very fact of the 12 blankets that I speak of when the story went from one end of this country to the other and rang in this Chamber from the other side that the poor man's blankets carried a duty of 485 per cent. I had the blanket in this very Chamber. I showed the blanket to the Senate, and there was not a thread of wool in it, with the exception of what was in the selvedge.

Mr. JONES of New Mexico. The manufacturers of the country generally favored that bill, did they not, and really helped to frame it?

Mr. SMOOT. Certainly they favored it. Why should they not favor it when they not only got the protective duty that was given there but they got more than the necessary compensatory duty on the wool?

Mr. JONES of New Mexico. The Senator was quite willing, as one of those manufacturers and as a member of the Senate, to put such a provision into the bill that would permit that sort of thing to be done.

Mr. SMOOT. That provision went into the bill with the understanding that the clothing wools of the country shrink 66½ per cent. I ask the Senator, who knows, as he comes from a woolgrowing State, what percentage the clothing wools of New Mexico shrink?

Mr. JONES of New Mexico. They vary, of course.

Mr. SMOOT. What is the average shrinkage in the fine clothing wools raised in New Mexico?

Mr. JONES of New Mexico. They will shrink somewhere from 60 to 65 per cent.

Mr. SMOOT. They will shrink on an average more than that.

Mr. BURSUM rose.

Mr. JONES of New Mexico. I dare say my colleague can give that information.

Mr. SMOOT. The fine clothing wools will shrink 70 per cent and the average will be 2 or 3 per cent less.

Mr. JONES of New Mexico. I think there are some wools in New Mexico which shrink 70 per cent.

Mr. SMOOT. There are some wools in New Mexico that will shrink 78 per cent. I have bought wools many and many a time, carloads of them, which would shrink 80 per cent.

Mr. BURSUM. I think I can enlighten the Senator about the shrinkage of wools in New Mexico. It depends on the location; but wools shrink from 58 to 74 per cent.

Mr. SMOOT. There is no doubt of it.

Mr. BURSUM. If the sheep have been ranged on sandy soil, the wools will have a heavy shrinkage, but in the case of fine wools, the general average is around 67 per cent.

Mr. SMOOT. Absolutely; and that is the case in Utah.

Mr. POMERENE. Will the Senator from New Mexico give the maximum and minimum of shrinkage in wool?

Mr. BURSUM. The minimum shrinkage is around 58 per cent, but as a rule that shrinkage does not apply to a very fine wool. Fine wools hardly ever shrink less than 64 per cent, and they will go as high as 72 per cent; but 67 per cent is a fair average for fine wools.

Mr. SMOOT. The wools in Montana do not shrink as much as the wools in Utah of the same identical grade, because of the fact that the sheep have a rather superior grazing ground.

Mr. JONES of New Mexico. I understand that.

Mr. SMOOT. But the fact of the matter is that in 1909 the average shrinkage of the clothing wools in the United States was 66½ per cent, and a shrinkage of 66½ per cent in wool at 11 cents a pound means 33 cents on the scoured content.

Mr. BURSUM. I want to suggest, though, that it is unfair and unscientific to fix a duty based upon wools in the grease and on an average shrinkage. The dirt and the grease which accompany the wool should not be taken into consideration. It is the clean content that should be considered, the amount of the wool. It is ridiculous to talk about fixing a duty based upon a mixture of wool and dirt and grease, and to average the duty on that basis. It should be on the clean wool.

Mr. SMOOT. This is what the Tariff Commission says about the shrinkage of wool in New Mexico:

In normal seasons their clip runs largely to French combing or longer. It also is more uniform in grade and character than in most other areas in the State. In the western part of this section the shrinkage usually ranges from 62 to 66 per cent; eastward it generally runs from 66 to 72 per cent; while in most other areas the same per cent (sometimes a higher) shrinkage is the rule. The State average has been about 67 per cent during the past six years.

Mr. JONES of New Mexico. I understand that. So the Payne-Aldrich bill was framed upon the theory that the wool would shrink 66½ per cent?

Mr. SMOOT. Yes; and if we used all American wools, then 33 cents would have been the proper rate, and the manufacturer would not have secured anything whatever in the scouring. But what did they do? They imported Australian wools, skirted, with all the tags, and all the necks, and all of the belly wool taken off, simply the body of the wool, and then in the handling of it as much of the dirt was shaken out of it as possible, and they got those wools in shrinking 40 per cent instead of 66½ per cent.

Mr. BURSUM. Sometimes as low as 30 per cent.

Mr. SMOOT. I am speaking of the average.

Mr. JONES of New Mexico. The skirting of wool for importation was permitted by the Payne-Aldrich law, was it not?

Mr. SMOOT. It is not permitted by this bill.

Mr. JONES of New Mexico. I understand that the duty in this bill is on the clean content, and the question of skirting has nothing to do with it; but under the emergency tariff law, which we passed, we did eliminate the right to skirt those wools before bringing them in here.

Mr. SMOOT. Yes; that is correct.

Mr. JONES of New Mexico. The point I want to emphasize is that in that law there was a provision for this skirting, which did bring down the shrinkage of the foreign wools; that that was one of the jokers in the bill; and that it was indorsed at that time by the manufacturers of this country.

They contended for a compensatory duty of 33½ per cent, 11 cents upon the manufactured article, when they knew that the shrinkage of the wool would not bring the duty up to 33 cents a pound on the scoured content. They knew that. They fixed those prices. They gave it out to the country that that was all the compensatory duty they were getting, but it now appears that they knew that they were deceiving the people of the country, and they are the persons who come here now and undertake to tell the Senate what compensatory rates they need.

I submit that we should have other and further proof. They gave it out to the country then that that was all they required; that there was a duty of 33 cents a pound upon the scoured content, and that all they needed was 11 cents a pound additional to provide for the wastage, and now, upon no other proof than of those men who deliberately deceived the people of the country and the woolgrowers of the country, we are asked to increase the compensatory duty much beyond the rate which they asked for when the Payne-Aldrich bill was being framed. They also deceived the Members of Congress. I can not conceive that the Senator from Utah at the time he voted for that bill comprehended the enormities which it contained and the deception which it contained.

Mr. SMOOT. Mr. President, the Senator says that we have no more information than that furnished by these manufacturers as to whether there is any other amount than 11 cents compensatory over and above 33 cents per pound on the scoured content. The Tariff Commission spent \$250,000 checking up every item, from one end of the country to the other, and all over the world. They have gone into all the factories of America, and not only America, but in foreign lands, and they say that it requires 1½ pounds of scoured fine wool to make a pound of wool cloth. The committee paid no attention to what the manufacturers said. We took the findings of the Tariff Commission, and it cost us \$250,000 to get that information.

Mr. JONES of New Mexico. What allowance is made for the waste? That waste, I suppose, did not go up into thin air. What became of that?

Mr. SMOOT. Of course, the Senator knows very well that in the clipping of wools there are little short clippings off the sheep, called the second clippings, and most of that goes into the wool when sacked. Just as soon as it reaches the wool washer half of it goes out, and when it reaches the cards the other half flies all over the card room. It is good for nothing. But I say that where the ends break in weaving, or where we tie up a thread, there is a little piece of thread lost.

Not only there, but at every step in the manufacture, from the time the wool is first handled to the finished cloth, there are losses. In the scouring of it there are losses; in the picker there are losses; in the carding there are losses; in the spinning of it there are losses; in the beaming of it there are losses; in the weaving of it there are losses; in the finishing of it there are losses. Not only that, but there are losses on account of every imperfection in the wool. The Tariff Commission says those losses amount to one-half a pound upon every pound and a half of wool that is used.

I say now, Mr. President, if I were going to lay out the wool to make the suit of clothes I am wearing, and I wanted a hundred pounds of this finished cloth, I could not start with less than 150 pounds of wool at the picker. If I got less than 100 pounds after starting with 150 pounds at the picker, I would want to know where the extra waste was.

Mr. POMERENE. Has not the Senator made a mistake in his mathematics? He said one-half a pound for every pound. Does he not mean one-third a pound loss in every pound?

Mr. SMOOT. I was speaking the other way, from the 1 pound. It is one-half on and one-third off.

Mr. POMERENE. I thought the Senator's language was susceptible of misconstruction.

Mr. SMOOT. I thank the Senator. One-half on is one-third off. I want the Senate to understand that under the bill as it was reported to the Senate no one is going to get any advantage. The woolman gets the protection given him, and no one can

take it away from him. The manufacturer does not get one penny of protection beyond what the bill gives, and he can not take it out of the wool grower, as has been done in the past.

The whole question is, How much protection shall we give the woolgrower? The committee decided that it should be 33 cents a pound on the clean content of the wool, and I want to say that if that is agreed to by the Senate I can defend every rate named in this bill by way of protection, and every compensatory rate that is provided for in every paragraph of this schedule. It is not guesswork, but actual facts, actual results, and what every millman will have to meet.

Mr. WADSWORTH. Will the Senator submit to one or two questions which I would like to ask for information?

Mr. SMOOT. Certainly.

Mr. WADSWORTH. Will the Senator state, for example, in what grades of wool, roughly speaking, most of the American product falls?

Mr. SMOOT. Most of the American wool used in clothing shrinks 60 per cent or above.

Mr. WADSWORTH. I am not asking that the grade be described by percentage, but that the grade be described in terms of the wool buyer.

Mr. SMOOT. In terms of the wool buyer, it would be "medium" and "fine medium."

Mr. WADSWORTH. What grade is considered the top grade?

Mr. SMOOT. The fine wool.

Mr. GOODING. And we have fine medium.

Mr. SMOOT. That is a little coarser than the fine wool. Fine wool comes from the French merino, the full blood. Then from that there is the fine medium and the medium; then there is the coarse in the different grades of wool. The finer the grade of wool the greater the shrinkage, because all fine wools carry more grease than coarse wools, and the more grease in the wool the more dirt it gathers in the grazing.

Mr. BURSUM. The grazing has everything to do with the character of the grease.

Mr. SMOOT. Not the character by the quantity.

Mr. BURSUM. If they graze on sandy soil, the wool will shrink more than where they graze on soil where there is no sand.

Mr. WADSWORTH. Will the Senator be good enough to identify, for my own information, the descriptive terms "half blood," "three-eighths," and "quarter blood"?

Mr. SMOOT. Half blood is a cross between very coarse and fine sheep.

Mr. WADSWORTH. I know that as a breeder myself, but to what grade of wool recited by the Senator does that conform?

Mr. SMOOT. Coarse wool can only be used in the making of certain thread—not the finest of threads, of course. The finer the wool the finer we can spin the thread. I would say our wools in America are made into threads running perhaps from 20s up to 70s.

Mr. WADSWORTH. What I was asking the Senator is this: I happen to know what a half blood is and a three-quarter blood and a quarter blood; but expressed in the terms of the wool buyer, what sort of wool and what grade of wool does the half blood sheep produce? The Senator has used the expression "mediums," for example.

Mr. SMOOT. A good medium would be a half blood. From the half blood we could make threads between 50s and 60s. I do not think we would want to use any finer wool than that to make a coarser thread than 50s, when we can make as coarse thread as we want to from the medium wools. It would not pay to do it. But the half-blood wool is generally bought when a manufacturer wants to make a thread between 50s and 60s.

Mr. WADSWORTH. What is the half-blood wool?

Mr. SMOOT. A medium would be half blood. The half blood and the medium are about the same.

Mr. WADSWORTH. Then the three-eighths blood is still lower?

Mr. SMOOT. A little coarser, where you would have, for instance, a fine buck with a half-breed ewe.

Mr. WADSWORTH. The quarter blood is coarser still?

Mr. SMOOT. Yes.

Mr. WADSWORTH. The information I have is based upon terms used in the breeding of sheep and not in terms of grading the wool. I wanted to get the two lined up in my own mind.

Mr. LENROOT. Mr. President, may I ask the Senator from Utah a question?

Mr. SMOOT. Certainly.

Mr. LENROOT. Is our production, then, generally three-eighths and better?

Mr. SMOOT. Yes; three-eighths and better.

Mr. GOODING. I think I can give the Senator the correct amount of the different grades which this country produces. These figures are from the Department of Agriculture. It gives the production of fine wool in this country, which, of course, is the merino. The foundation is taken from two breeds of sheep—the merino and the English blood, and as the English blood is infused, then come the terms half blood, three-eighths blood, quarter blood, and so on down to low quarter. In fine wool we are producing 29.3 per cent of our production, half blood 21.8 per cent, three-eighths blood 21.5 per cent, and in quarter blood 18.9 per cent.

Mr. SMOOT. That is, quarter blood and lower.

Mr. GOODING. Then comes low, 1.7 per cent, and we get down to what they call braid wool, the lowest of all, which is .68 per cent. That is the percentage of wool produced in this country.

Mr. SMOOT. To further answer the Senator from New York, so that when we reach the yarns in the cloth schedule he will know, if he desires to refer to what wools are used in this paragraph, I want to put in the RECORD now just what they mean to the manufacturer. In other words, if a manufacturer were making, we will say, 44s and below, he would then look out for quarter-blood wool. From the three-eighths he makes 50s to 56s. From the half blood he makes from 58s up to 60s. If that is what he wants, if he wants to make 58s to 60s, he wants half-blood wool, and he does not want to buy any other wool because that is the best grade of wool to make those sizes of yarns. Then comes the fine wool. If he has a yarn to make over 64s and finer than that, he knows that he has to get fine wool in order to make it.

Mr. OVERMAN. Mr. President, am I to understand that the quality of wool is governed by the blood of the animal?

Mr. SMOOT. Oh, yes, indeed.

Mr. OVERMAN. The different grades are according to the blood?

Mr. SMOOT. Yes, certainly. In other words the merino is the finest wool sheep known in the world. Then when you come to the Cotswold wool, that is among the coarsest. All the other wools are between the low wool and the fine wool, and that comes by crossing the different breeds.

Mr. WADSWORTH. Mr. President, will the Senator permit a further question concerning the shrinkage percentages in the different grades of wool?

Mr. SMOOT. Oh, they are very great. The coarser the wool the lower the shrinkage, because of the fact that in the coarse wool there is not the amount of grease. The wool has not so much grease in it and will not hold the dirt. The fleece of coarse wool can be shaken and most of the dirt will come out of it, but you can not do that with the fine wool. It is matted close together with the grease.

Mr. BURSUM. Most of the grade sheep, whether it be coarse wool or fine wool, will yield relatively nearly the same number of pounds of scoured wool. For instance, some sheep will shear 6 pounds.

Mr. SMOOT. And some 4 pounds.

Mr. BURSUM. Or it may be 3 pounds of scoured wool. Others may yield 8 pounds and others may not yield over 2½ pounds of scoured wool.

Mr. WADSWORTH. I realize the conditions which give rise to the variation in shrinkage. I wanted to have the matter of record in the debate. Then is it not a fact that a specific duty imposed on the cleaned content results in a very much higher ad valorem duty upon the lower grades of wool?

Mr. SMOOT. The equivalent ad valorem duty. There is no doubt about it.

Mr. BURSUM. That is true; but it costs just as much money to raise a pound of scoured wool of the coarse wool as it does a pound of the fine wool—

Mr. SMOOT. That is, the cleaned content.

Mr. BURSUM. Yes; that is what I am speaking of. If the cost of production is to be the basis, if the grower of this country is to be permitted to live and make ends meet and be permitted to enjoy a reasonable degree of prosperity, so he can get along, he must have a duty which will be equivalent to the cost of production as compared with the imported cost of wool from other countries.

Mr. WADSWORTH. When the Senator makes that observation, I can not help recollecting that the Senator from Idaho [Mr. GOODING] stated that the production of coarse wools in this country is much less than of the better wools.

Mr. BURSUM. That is true.

Mr. SMOOT. The half blood is not a coarse wool.

Mr. WADSWORTH. What I want to figure out is this—

Mr. SMOOT. The most popular wool is the half-blood wool which goes into most of the clothing.

Mr. WADSWORTH. I want to get my own recollection straightened out, because I used to know something about it, but never all about it. For example, I find the 33-cent specific duty imposed upon the cleaned content of any kind of wool—

Mr. BURSUM. Not the carpet wool.

Mr. WADSWORTH. Well, I know that. I mean any kind of wool except carpet wool. It will result upon the low-grade wool in an equivalent ad valorem of 137 per cent, and on the next higher grade an equivalent ad valorem of 77 per cent. That is, on the quarter blood. Those are tremendous rates.

Mr. BURSUM. It is not a question of rates.

Mr. WADSWORTH. The man who wants to use that wool in manufactured form at some time or other puts a good deal of importance upon a 137 per cent ad valorem duty.

Mr. SMOOT. I do not think there is any such rate on the prices of to-day. I do not know what prices the Senator has used. I have here, if the Senator desires, a table showing the duty on 100 pounds of wool, on the basis of a 33-cent duty per scoured pound, beginning with 90-pound shrinkage and at 33 cents, showing just what it will cost for the 100 pounds. There is very little wool known in the world that shrinks as much as 90 pounds to the 100. Therefore, beginning with 90 pounds, it runs all the way from \$3.30 on 100 pounds of 90-pound wool down to where the dirt is only 10 per cent, where the price runs up to \$29.70. That latter figure is hardly known in any wools in the world. It would have to be washed wool and skirted. I have a table showing the whole thing from the extremes.

But when we come down to the facts in the case, when we get down to about 56 per cent, or between 50 per cent and 60 per cent, there we find the bulk of all the wools in the world outside of carpet wool, and carpet wool, of course, is understood, even in this bill, to come in free, through a drawback provision.

Mr. LENROOT. Mr. President, I would like to ask the Senator a question. As to the wools which we do not produce, why should those wools take a 100 per cent rate?

Mr. SMOOT. I will say to the Senator that little would come in of the kind of wool of which he speaks, and there would not be even that much under prices existing to-day. Those are abnormal prices which he has quoted. They go into the braids and goods that are carrying a duty here, and are not generally used for clothing.

Mr. POMERENE. Mr. President, we are not able to hear the whispering on the other side of the aisle.

Mr. SMOOT. I do not think I am whispering.

Mr. POMERENE. The Senator from Utah has his back turned this way, and, while we believe he is talking, we are not able to hear anything more than a rumbling noise, owing to the confusion in the Chamber.

Mr. SMOOT. I will say to the Senator from Wisconsin that the wool of which the Senator speaks, the average importations for the four years, taking the four years preceding, was less than 4.5 per cent of the total wools consumed in the United States.

Mr. LENROOT. Of the world?

Mr. SMOOT. Of the United States.

Mr. LENROOT. Oh, yes; I know that.

Mr. SMOOT. I mean used in the United States. I do not mean raised in the United States; I mean used in the United States. Of that 4.5 per cent there is a little over 80 per cent imported.

Mr. LENROOT. Then the Senator would say that upon the lower coarse wools the duty is not necessary for the protection of the American industry.

Mr. SMOOT. I will say to the Senator that it cost just as much per scoured pound to raise that wool in this country.

Mr. LENROOT. But we are not raising it here.

Mr. SMOOT. Oh yes; of this wool we raise about 1 per cent of the amount of wool consumed in the United States.

Mr. GOODING. I might say that is essential in building up a flock of sheep. It is the English blood that makes the low-grade wools to-day, although at one time the English wools were higher in price than the merino wools on a grease basis. I grew them all years ago. While my coarser wools sold readily my merino wools were a drug on the market. To-day the condition is the reverse. That has been brought about by the fact that during the war there was no demand for those coarser wools—what are called the low-quarter wools. The Government did not use any of that kind of wool in making up blankets and uniforms. The result was that there was a surplus on the world's market of these wools, and they are to-day cheaper than they have been for many years. That is the reason the price appears low at the present time. However, that variety of wool was essential in making up a dual-purpose sheep for the farm and for the range. So far as the wool indus-

try is concerned, the question is, Do we want that industry to exist in America? That is the only question involved.

Mr. BURSUM. Mr. President—

Mr. SMOOT. Just a moment. I want to say to the Senator from Wisconsin that whenever cheviots are the fashion in men's clothing—and they do become the fashion, perhaps, in cycles of seven or eight years—then coarse wools are in demand. It is then almost impossible to get them. I know, Mr. President, that a very small quantity of those coarse wools was produced in Utah, and about the only wools that I have ever bought outside of the State of Utah in order to run the mill have been coarse wools. Whenever there has been a cheviot season, or a demand for overcoats with coarse wool thread made from coarse wools, the manufacturers of woollen goods have got to scour the country for that class of wools.

During the World War, as the Senator from Idaho [Mr. GOODING] has suggested, much of this character of wool was used by the Government; and yet the Government had to commandeer or purchase nearly all of the wool in the United States. The Government used all of the fine wool, but when the war ceased the Government had coarse wools on hand, great quantities of them. What was the Government to do? There was not a demand for it. Therefore the Government had to accept the loss upon that wool. On those prices, of course, brought about by that condition, the rate of duty of 33 cents per pound on scoured wool seems very, very high, indeed.

Mr. GOODING. I understand the Government sold that wool as low as 12 cents, and even 7 cents, a pound. If the fashion should change to-morrow in favor of Scotch tweed or cheviot goods, of which the Senator from Utah has spoken, it would be the highest wool in America, and it is essential to the life of the industry if we are going to let it live.

Mr. BURSUM. Mr. President, I desire to call the attention of the Senate to certain facts. In nearly every flock of sheep, no matter how it may be graded up, there will be a small percentage of coarse wool produced from the flock. The duty which has been reported by the Committee on Finance on wool is based upon the average price of wool. If there were to be any separate classification covering the small percentage of braid or coarser wools, that would increase the cost of production here and would require a higher duty on the higher-grade wools. It seems to me that the percentage is so small that the country as a whole will obtain a greater benefit by the average flat rate of 33 cents than it would should we undertake to classify these wools and grant a much higher duty upon the finer grades of wool.

Mr. GOODING. At this point I wish to say, as to these low wools, as they are called, practically all of them are raised on the farm and are on the farm. Ohio, West Virginia, and Michigan have a large percentage of the merino wools, although the greater proportion of Ohio wools are to-day half blood and lower. West Virginia has the highest percentage of merino wool; then comes Ohio; and then Michigan, if I remember correctly; but Indiana and practically all the remainder of the States produce to a large extent the lower-grade wools which we are now discussing and which are so cheap. Some of that class of wool is produced in the West, but not a great quantity.

Mr. LENROOT. That can not be; that is impossible, if the Senator's other statement is true as to the percentage of the total production.

Mr. GOODING. I say the larger percentage of that class of wool is on the farms. I am talking about half bloods in connection with the matter and three-eighths bloods.

Mr. LENROOT. That is all right.

Mr. SMOOT. Mr. President, I wish again to emphasize the fact that the equivalent ad valorem mentioned by the Senator were upon abnormal prices. On page 20 of a late publication of the United States Tariff Commission, entitled "Recent tendencies in the wool trade with special reference to their tariff aspects, 1920-1922," it is stated:

Since the figures in Table 12, as compared with Table 11, indicate a marked curtailment in ad valorem equivalent on foreign valuation for the same duties, it is of interest to compare the ad valorem equivalents of these duties on a pre-war foreign valuation. As formerly stated by the commission, the pre-war valuation is a fair basis to use, since the abnormally low prices for crossbred wools are steadily being corrected.

I can not say any more than I have said. I have explained how the condition was brought about. It could not have been otherwise. The wool was thrown upon the market by our own Government, though I do not blame the Government. When Government officials spoke to me about the matter, I said, "I do not know when there will be a demand for these wools; I can not tell. The demand may be in one year, in two years, or it may be longer. No one can tell."

Mr. BURSUM. But, Mr. President, may I call the Senator's attention to the fact that at that time wool was bringing less than 25 per cent of its actual cost to the grower?

Mr. SMOOT. Some of the wool was sold by our Government for as low as 12 cents, and I have understood as low as 7 cents in some cases. It was included in the purchase of a whole clip, and of course every Senator knows that few sheepmen have all of just one grade. We have in the West a mixed grade; we have no clip of wool but what has to be sorted.

Mr. BURSUM. Mr. President, on that very point the growers had borrowed as much as 40 cents a pound on the wool, that amount being advanced by the wool dealers.

Mr. SMOOT. Yes; and if it had not been for the emergency tariff act there would not have been a woolgrower of any importance in the United States who would not have been ruined financially.

Mr. WADSWORTH. Mr. President, will the Senator yield now?

Mr. SMOOT. Yes; I yield.

Mr. WADSWORTH. The Senator referred to me—I think he must have been referring to me—as having quoted abnormal figures.

Mr. SMOOT. I know the Senator quoted the values that were given at the time.

Mr. WADSWORTH. There is where the Senator made a mistake. The values that I quoted were of June 15, 1922. I have them here.

Mr. SMOOT. They are the abnormal figures of which I speak.

Mr. WADSWORTH. Let us see if they are abnormal.

Mr. SMOOT. Very well.

Mr. WADSWORTH. As to fine foreign wool in the grease the valuation is 45½ cents in the grease and 95 cents scoured.

Mr. BURSUM. Ninety-five cents scoured?

Mr. WADSWORTH. Yes.

Mr. BURSUM. How does the Senator figure out 150 per cent on that?

Mr. WADSWORTH. I did not figure it on that; I figured on the low. The other figures are: one-half blood, in the grease, 42½ cents; scoured, 75 cents; three-eighths blood, in the grease, 36½ cents; scoured, 59 cents; one-quarter blood, in the grease, 29 cents; scoured, 43 cents; low, in the grease, 17½ cents; scoured, 24 cents. I gave what I estimated would be the equivalent ad valorem on the scoured low.

Mr. SMOOT. I have not denied that. All I did say was that those prices on coarse wools are abnormally low to-day. I have here the London prices.

Mr. GOODING. The prices the Senator from New York is quoting are London prices.

Mr. SMOOT. I have the London prices for July, 1914, and of May 19 of this year.

Mr. WADSWORTH. Does the Senator deny that these wools were imported at the prices I have given?

Mr. SMOOT. No; I am not denying that.

Mr. WADSWORTH. Then the ad valorem duty should be figured on those prices, should it not?

Mr. SMOOT. Taking into consideration the shrinkage.

Mr. WADSWORTH. I will give the Senator the average of the shrinkage. The figures are as follows: Fine, 52 per cent shrunk, 48 per cent yield; half blood, 43 per cent shrunk and 57 per cent yield; three-eighths blood, 38 per cent shrunk, 62 per cent yield; one-fourth blood, 33 per cent shrunk and 67 per cent yield.

Mr. SMOOT. For quarter blood?

Mr. WADSWORTH. Yes; and low 28 per cent shrunk and 72 per cent yield.

Mr. SMOOT. That is, of course, Australian wool.

Mr. WADSWORTH. Certainly, these are wools that are coming in and I am trying to estimate what the equivalent ad valorem duty would be on those wools under the prices given for June 15, 1922.

Mr. SMOOT. If we are going to allow those wools to come in here skirted and all the dirt that is possible taken out of them, the Senator is right. Here is the last quotation from London.

Mr. GOODING. I have here some prices for July.

Mr. SMOOT. I have the last ones the commission has furnished.

Mr. LENROOT. From what is the Senator from Utah about to read?

Mr. SMOOT. From the compilation entitled "Recent tendencies in the wool trade," issued by the United States Tariff Commission.

Mr. WADSWORTH. What page?

Mr. SMOOT. Page 12. The prices are given on the London market on May 19, 1922, as follows:

Seventies superfleeces, in pence, 60, which is equivalent to \$1.20.

Mr. WADSWORTH. Is that for wool in the grease?

Mr. SMOOT. That is the clean content.

Mr. WADSWORTH. That is scoured?

Mr. SMOOT. That is scoured wool.

64/67's good medium fleeces, \$1.04 a pound; 60/64's good medium fleeces, 92 cents a pound; 64's good pieces, 90 cents a pound; 58/60's good medium fleeces, 80 cents a pound; 56's fine crossbred fleeces, 56 cents a pound; 46/50's crossbred fleeces, 38 cents a pound; 44's crossbred fleeces, 26 cents a pound; 36/40's crossbred fleeces, 22 cents a pound, scoured.

Mr. WADSWORTH. And my minimum figure is 25 cents. We do not differ materially. That is perfectly evident.

Mr. SMOOT. I will now, from the same report, give the prices in July, 1914, so that we may see what the normal prices were. For 46's crossbred fleeces the price was 17 pence in July, 1914, which is equivalent to 34 cents a pound, and now 46's are only 30 cents. In 1914, 44's crossbred fleeces were 32 cents, and now they are only 26 cents. In 1914 the 36/40's crossbred fleeces were 31 cents, while they are only 22 cents to-day. That is why I say that to-day's prices are abnormal.

Mr. WADSWORTH. I thought the Senator said I had read from prices during the slump, and that they were abnormal.

Mr. SMOOT. They were abnormal during the slump.

Mr. WADSWORTH. But we are not in a slump now.

Mr. SMOOT. Yes; we are in a slump now so far as the coarse wools are concerned. On the London market the demand is for fine wools, and they are up to \$1.20 a pound as against 22 cents a pound for coarse wools.

Mr. WADSWORTH. That does not indicate a slump.

Mr. SMOOT. It indicates that there is no demand for the coarse wools to speak of, and they are being thrown upon the market at almost any price they can bring. It means they are only getting 22 cents for coarse wools cleaned, and \$1.20 for the fine.

Mr. GOODING. Mr. President, I might say that I know of a line of clips that was held in Boston for three years, a low-grade wool, that could not be sold for any price at all. So the condition is not normal by any means, so far as low-grade wools are concerned. I do not know whether they are sold to-day or not.

Mr. KENDRICK. Mr. President—

Mr. SMOOT. I yield to the Senator from Wyoming.

Mr. KENDRICK. The Senator from Utah comes from a State which is a heavy producer of wool, as are a number of other Western States. I want to ask the Senator if it is not true as to the application of protection that as the industry is stabilized and production placed upon a sound basis the inevitable result has been ultimately to reduce the price to the consumers of the country?

Mr. SMOOT. There is no doubt about that; and the very fact that we only have 36,000,000 sheep in the United States now as compared with 57,000,000 a few years ago demonstrates the condition of the sheep business.

Mr. WALSH of Montana. The same decline is found all over the world.

Mr. SMOOT. It is not so great a percentage in all the world. I will say to the Senator.

Mr. WALSH of Montana. Production has diminished by at least 33½ per cent.

Mr. SMOOT. In what country?

Mr. WALSH of Montana. In the whole world.

Mr. SMOOT. Our sheep have diminished about 50 per cent.

Mr. WALSH of Montana. The same reduction is going on all over the world.

Mr. SMOOT. There has been a general reduction, but not anything like what we have had here.

Mr. WALSH of Montana. The figures are available; but, if the Senator will pardon me, I should like to make an inquiry of the Senator from Idaho. I understood him to say that the present prices of wool were abnormal.

Mr. GOODING. Very low for low-grade wool.

Mr. WALSH of Montana. That is what I wanted to inquire—whether the Senator considered them abnormally high or abnormally low.

Mr. GOODING. Very low so far as the low-grade wool is concerned. I have here the Boston and London prices for July, and if the Senator will yield for just a minute I should like to put them in the Record.

Mr. SMOOT. Yes; I yield.

Mr. GOODING. These are wools of the same grade, and it is agreed by the Department of Agriculture that the figures are correct after having had them checked up.

At that time Ohio fine unwashed delaine was selling in Boston, scoured, for \$1.31 a pound. Australian wool comparable to Ohio fine delaine was selling in London for 96 cents a pound, or a difference of 35 cents a pound.

Mr. POMERENE. Scoured content?

Mr. GOODING. Yes; scoured content. This is the point I want to make clear. As far as the woolgrower is concerned, he never did get the full amount of the duty. He is not getting it now, and he never will. The manufacturer, who is his only market, will not pay it to him. Let me say to the Senators who are shedding tears that at the present time there is only 19 cents a pound difference between the low-grade wools, the 40s selling for 25 cents a pound in London and 44 cents in Boston. In other words, there is a difference of 19 cents, or 26 cents less than the real tariff. There is a tariff on that same wool in the emergency bill of 45 cents a pound. In other words, the woolgrower is getting less than half of the duty that the emergency tariff bill gives him; so I do not think there is any need of worrying about that.

Mr. SMOOT. That is because of the fact it is on the grease basis, and only pays 15 cents a pound.

Mr. GOODING. That is because of the fact, as far as our own market is concerned, that only last summer the Government sold something like 56,000,000 pounds of this low-grade wool that we brought here and did not use at all and forced it onto the market. That is the reason that that class of wool is so low, and the same condition prevails all over the world. There is no use made of this low-grade wool at present; but of course it is coming back. There is no doubt about that.

Mr. WALSH of Montana. Mr. President, I did not get from the Senator exactly the information which I sought. I was desirous of ascertaining from the Senator whether his statement to the effect that the present prices of wool were abnormal applied to the ordinary western product?

Mr. GOODING. Yes. They are higher than they have been outside of the period during the war when the Government fixed the price.

Mr. WALSH of Montana. What the Senator means, then, is that the price of the ordinary western product is abnormally high?

Mr. GOODING. It is higher than it has been for a number of years; that is true.

Mr. WALSH of Montana. And with respect to the low-grade wools, the Senator informs us that the price is abnormally low?

Mr. GOODING. Very much lower, because I have grown both grades of wool, and a few years ago I think I had the largest flock in the West of what we call the English blood sheep, and they used to help sell my merino clip; but the reverse is true to-day, and if you have low-grade wools it is almost impossible for you to dispose of your clip at all at any price.

Mr. SMOOT. Mr. President, I do not know whether or not the Senator was in the Chamber at the time I made the statement that in London they were worth in July, 1914, 31 cents a pound. In London on May 19 of this year they were worth only 22 cents a pound. They are abnormally low, and that is the world market.

Mr. BURSUM. Those are the coarse wools?

Mr. SMOOT. Those are the coarse wools.

Mr. GOODING. Mr. President I should like to put the rest of this statement into the Record.

Mr. POMERENE. Mr. President, before the Senator does that will the Senator from Utah yield just for a question?

Mr. SMOOT. Yes.

Mr. POMERENE. I am not quite sure that I have correctly in my mind the figures which the Senator from Idaho gave; but as I understood him he said that this merino wool, scoured, was worth 49 cents in Boston—

Mr. GOODING. No.

Mr. POMERENE. And in London 25 cents.

Mr. GOODING. That was the low grade. If the Senator will let me read the whole of the figures, then he will have them correct.

Mr. POMERENE. I know; but I want the Senator to straighten me out if I am wrong about it. The duty was 45 cents?

Mr. GOODING. The duty was 45 cents.

Mr. POMERENE. Now, the question I wanted to ask was this: If the price here was 49 cents and the price in London

was 25 cents and the duty was 45 cents, how and to what extent has that actually benefited the flockmaster?

Mr. GOODING. If there were not a duty on the wool, he would have the London prices.

Mr. BURSUM. Mr. President—

Mr. GOODING. If the Senator will permit me, I should like to put this table in the RECORD, so as to give the different prices. I remember when wool was on the free list seeing it sell for 4 cents a pound, and during the first year that it was on the free list it sold for an average of 6½ cents a pound in the West. There is not any question about the fact that the manufacturer drives the sharpest bargain that he can all the time, and he will never give us the full amount of the duty under the system that we have at the present time—not until we have a law in this country that permits his compensatory duty to be the difference between a pound of wool in Boston and a pound of wool in London. If I may be permitted to put in these figures, however, I will show the Senator the different prices of the wool.

Mr. POMERENE. I shall be very glad to have that done; but the duty seems to be twice the difference between the London market and the Boston market. That is one of the things I did not quite understand.

Mr. SMOOT. I will say to the Senator that this is how that happened: It is 15 cents a pound, and that wool is imported into the United States in the grease, and the shrinkage is very low, and therefore they do not pay on the wool content but they pay, upon this class of goods, on the wool in the grease.

Mr. POMERENE. But the fact, nevertheless, remains that there have been very great variations in price when we had a high protective duty, and there have also been very great variations of price when there was a comparatively low duty. That is the truth about it; and there are many things that enter into the price of wool other than the mere statutory duty that may be fixed by the Congress.

Mr. SMOOT. I will say to the Senator that with a scoured-content duty they will not get around it.

Mr. POMERENE. I think that is an improvement on the old system. I have not any doubt about that myself.

Mr. SMOOT. Nobody is going to get away from that.

Mr. GOODING. In reply to the Senator from New York, who thinks there is importation of this lower-grade wool, I wish to say that it hardly seems possible that they would import that wool at the present time even and hold it in bond, when it is selling in this country for 44 cents a pound on the Boston market; but I should like to finish this statement for the RECORD, so that it will all be in the RECORD together.

Territory fine staple is selling in Boston for \$1.26 a pound. The same class of wool in London is selling for 90 cents. There is a difference of 36 cents, although there is a tariff of 45 cents a pound. This is the scoured content.

Ohio half bloods are selling in London at 83 cents and in Boston for \$1.08, a difference of 25 cents.

Mr. POMERENE. As of what date?

Mr. GOODING. This is the 1st of July. So there is 15 cents difference between the pound of Ohio fine wool, when you add the duty to the London price, as against the price that they pay for it in Boston. In other words, the woolgrower is getting 15 cents a pound less than the 45 cents, or he is getting 30 cents protection instead of 45.

Mr. POMERENE. I do not want to interrupt the Senator, but he spoke of Ohio wools in the London market. Did I understand him to say that?

Mr. GOODING. These are comparable wools that I am quoting.

Mr. POMERENE. Then the Senator wants to correct himself, does he? As I understood him, he said "Ohio wools in the London market." He means simply comparable wools of foreign origin. Is that it?

Mr. GOODING. Yes. It should be properly styled Australian superwarp spinning 60s, which is comparable to Ohio half bloods. That will make it clear, of course.

Australian good top making, 60s to 64s, selling in London for 83 cents and in Boston for \$1.15. In this case the Ohio woolgrower is getting 32 cents protection on a pound of scoured wool.

Australian good styles, 56—same as Territories, three-eighths blood, in this country—selling in London for 66 cents, in Boston for 89 cents, or a duty of 23 cents a pound, as against 45, which the emergency tariff bill provides for.

Australian good styles, 46, selling in London for 33 cents, selling in Boston for 56 cents, or a protection of 23 cents a pound.

Australian good styles, 40 to 46, territory braids—that is, the English blood—selling in London for 25 cents, in Boston

for 44 cents. The grower of what we call braid wool in this country is getting a duty of 19 cents a pound instead of 45, as the emergency bill gives him.

So I can hardly believe that there is any of that kind of wool imported in bond, because there is a surplus of it in America at the present time. I think the Senator from New York must be mistaken in that respect.

Mr. SMOOT. Just one word more, and then I will yield the floor.

I know that it will be pointed to time and again during the discussion of this schedule that on these low-shrinkage wools the equivalent ad valorem will be exceedingly high. I want to emphasize again the fact that only 4½ per cent of all of the wool consumed in the United States is of that class, and we raise in the United States only 20 per cent of that amount, or, in other words, less than 1 per cent of the wool used in the United States is of the character which has been referred to to-day.

Mr. POMERENE. I should like to ask the Senator a question, because this is a matter which has disturbed me a good deal. I think I heard the Senator from Utah say, within six months, or such a matter—in any event it was said by some one on the floor of the Senate—that we had at that time a two-year stock of wool here in the United States, and very recently the statement has been made that the supply was very meager.

Mr. SMOOT. I did not say in the United States. I said in the world.

Mr. POMERENE. What does the Senator mean by that?

Mr. SMOOT. I said here upon one occasion, as I remember, that there was an overproduction of wool in the world.

Mr. POMERENE. I can not refer to the page of the RECORD now, but, as I recall the Senator's statement, he was speaking of the supply in the United States.

Mr. SMOOT. I called attention to the fact that the testimony given before the committee—and I think it was sustained by the Tariff Commission—was that there was a greater quantity of wool at that date in the world, for that season of the year, than at any other time in the history of the world.

Mr. POMERENE. Of course, in the last two years, I take it, there has been a smaller consumption of wool.

Mr. SMOOT. Before that there was.

Mr. POMERENE. Throughout the world there has been less wool used, because in Europe particularly they have not been able to make the purchases which they normally would, because of the economic and financial conditions.

Mr. SMOOT. That naturally results in a backing up of the wool.

Mr. POMERENE. Undoubtedly so.

Mr. SMOOT. In a short statement made by the Tariff Commission in relation to the clean content I find this statement—

Mr. POMERENE. From what page is the Senator reading?

Mr. SMOOT. Page 22:

From the foregoing it is evident that specific clean-content duties remove the tariff discrimination against imports of heavy-shrinking wools which has characterized specific grease-pound duties.

I want to emphasize again the fact that if the woolgrower is to receive a protection upon wool it has to be on the scoured content, and never again upon the wool in the grease.

I do not want to repeat what I have said, but I want to emphasize the fact that while in the Payne-Aldrich law the woolgrower was ostensibly given a duty of 11 cents a pound he never received more than 7.6 cents a pound, and on the average between 5 and 6 cents a pound upon wools imported into the United States.

Mr. POMERENE. Whatever may be done here, I feel that whatever duty we vote upon the scoured content it will be an improvement upon the other, and avoids the possibility of deception.

#### STRIKE CONDITIONS IN CONNECTICUT.

Mr. KING. Mr. President, I regret that the able junior Senator from Connecticut [Mr. McLEAN] is not in the Chamber, because during a discussion of the tariff bill some days ago reference was made by me to the State of Connecticut. It grew out of the fact that the able Senator from Connecticut is a member of the Finance Committee and has been active in securing high duties upon textile manufactures.

I alluded to what I understood to be the facts, that there had been a number of strikes in Connecticut; that the wages in the textile mills were low, and then I stated, by way of generalization, that in many of the industries where high tariff duties were imposed wages were lower than in many of the industries where there was no tariff, or if there were a tariff, the rates were comparatively low.

The able Senator from New York [Mr. WADSWORTH] asked a number of questions during the discussion and expressed sur-

prise, as I understood him, at the statement that there had been strikes in the State of Connecticut. I called attention at that time to a letter which I had received from Mr. O'Meara, the president of the Federation of Labor of the State of Connecticut. After the colloquy I sent a copy of the RECORD to Mr. O'Meara and asked him to send me such information as he cared to relating to the questions raised in the discussion between the Senator from Connecticut, the Senator from New York, and myself.

I am in receipt of a letter from him under date of July 20. It is somewhat long, but I take the liberty of reading it, because of the facts which he states in this letter. After addressing me, he says:

Supplementing my statements made in letter of May 15, 1922—

That is the letter excerpts from which I put into the RECORD. I wish to state that my comment made in that letter was prompted by your able statements in the Senate of the United States under date of Thursday, May 11, 1922, and which statements appeared in the CONGRESSIONAL RECORD, on page 6562, which read as follows in part: "Mr. President, I repeat what I said a moment ago, that a large part of the population working in the mills in the State of Connecticut were foreign. There were strikes in the mills and factories because of the injustice which the mill owners perpetrated upon the laborers whom they employed, etc."

Now, in relation to that part of my letter which referred to the system of slavery practiced in this State, even of this date, I desire to state the following:

I am inclosing to you an application card for employment at the plant of the Columbia Graphophone Co., situated in the city of Bridgeport, Conn., which I have marked "Exhibit A."

The card is here. I shall not ask that it be inserted in the RECORD, for the reason that I think the subsequent statements of the writer substantially state the important features in the card.

Referring to the card, he continues:

Please note the inquiry, "Are you union or nonunion?"

Please note the inquiry, "Rate of wages you expect?"

Please note the agreement that they ask a man or woman to sign without first knowing what they are to abide by after signing.

I am inclosing to you an application card copy such as is used by the Employers' Association of New Haven, Conn., through their metal trades division, which I have marked "Exhibit B."

I have that here, but I shall not ask that it go in the RECORD. I continue reading:

When an employee desires to seek work in any of the plants controlled by this system, and there are very few that are not working it, or when he ceases his or her employment at any of these plants, you will note that when the employment ceases the card is sent to a central office with all of the information wanted thereon, and upon seeking a new position he is told, generally speaking, to come around the next day, and in the interim the central office gives out the information so desired, and you can readily understand just what chance a poor fellow would have to get employment with another employer if his former one did not wish to let go of him. A perusal of this card copy will, I am sure, give you an idea of the system that the factory worker is up against in Connecticut.

And to still further strengthen this blacklist system, employers of this State saw fit to present in the form of a bill at the legislative session of 1919 that called for a severe penalty upon anyone that, who in seeking employment in Connecticut, and was found out giving another name other than his legal one, which had to be resorted to and is to-day by men in order to get work.

But thanks to divine justice, due to severe factional differences in the committee of the judiciary at that time, the bill was not reported out.

Relative to my statement of the bringing into the city of New Britain, Conn., numbers of foreigners, I am inclosing to you, Mr. Senator, a newspaper article under date of April 17, 1921, and which I have marked "Exhibit C."

The article is from the Hartford-New Britain News, under date of April 17, 1921, and in large letters these words appear:

New Britain Spaniards threaten to burn factory of big company which brought them from Spain. Foreigners imported to compete with American labor indignant that they can not get work. New Britain has 850 Spaniards, Bridgeport 1,000, and Meriden has a colony. Cities must feed laborers brought into America. Interview with "King" of New Britain Spaniards incriminates great hardware concern.

There is a long statement showing the importation of these poor people from abroad; and I will not say the persecutions but the hardships to which they are exposed after being brought to the United States to work in these highly protected industries. Without reading the article, I ask that it may be inserted at this point in the reading of this letter.

The PRESIDING OFFICER (Mr. BROUSSARD in the chair). Is there objection? The Chair hears none, and it is so ordered.

The article is as follows:

What is Connecticut going to do with its Spaniards imported into the State for the purpose of competing with American labor during the war and stranded now, with little to eat, in a strange land after they were brought here to help the manufacturing interests make money?

New Britain has 850 Spaniards on its hands. Bridgeport has 1,000. Meriden has a small colony which went to the city hall in a body last week and demanded food and got it.

The Meriden group of about 40 was stranded in the Silver City after having been brought there by the Aberthaw Construction Co., which was building a factory.

The New Britain colony came to work in the factories there, especially at the plant of Landers, Frary & Clark.

#### IMPORTED BY AMERICANIZATION WORKERS.

The president of Landers, Frary & Clark is Charles F. Smith, prominent member of the State board of education, which body is spending a lot of money in its Americanization campaign.

The Landers people do not like to be reminded of it, but there is pretty good evidence that they aided in bringing the Spaniards to New Britain, and this subsequent to the time when Governor Holcomb warned of foreign agitators secretly meeting and subsequent to the time when the State board of education became interested in preserving American institutions by teaching foreigners English.

The number of Spaniards who can talk English is slim, as they have not been in this country more than two years. They were not brought here to help win the war. They were brought here to supply the demand for labor after the war.

Coming from a country where economic conditions are not much better than they were in Russia under the rule of the Czar, they lead a communistic form of life, which is out of sympathy with the prevailing form of existence in America, and a Spaniard is not proverbially meek and mild.

#### A FIREBRAND LETTER.

The temper of some of the New Britain Spaniards is revealed by the following letter, written in Spanish, to Landers, Frary & Clark. Its publication last week, much to the disgust of the Landers officials, was the sensation of the Hardware City.

The letter, dated January 31, 1921, was on a cheap grade of paper. At the top of the sheet was written the words "Span" and "New Britain" and the date in English.

The letter as translated follows:

"LANDERS, FRARY & CLARK:

"You will give work to the Spaniards, or within two days they will come together to the factory and set fire to it. And this promptly, for it is not right to turn the Spaniards out into the street and keep the others. I repeat, turn the Spaniards out into the street and all those who come to the labor bureau and are not employed will do damage to the factory unless you pay for their voyage back to Spain. If you do not do this, you will suffer. 'Don't take it as a joke.'"

#### OFFICIALS SHOCKED.

It is hard to say who were shocked the most, the people of New Britain when they read of this remarkable threat or the officials of the company when they learned that a New Britain newspaper had the audacity to print such a letter.

The company and the Spanish-American Mutual Benefit Association have been at work for two months trying to discover who wrote the anonymous letter. The police conducted an investigation with secrecy. The news was obtained through the mutual benefit association, which was not "on" to the American way of keeping the public in the dark about what is going on and which passed resolutions promising to do all in its power to find out who wrote the letter.

#### TEAR DOWN GATES.

Together with news of the letter came the information that a few weeks ago a crowd of Spaniards went to one of the gates of Landers, Frary & Clark and gesticulated wildly, speaking Spanish. It is even said that they tore down one of the gates. It is not known what they were excited about.

#### NO MEANS OF SUPPORT.

New Britain's mayor inaugurated a census of the unemployed at City Hall one day last week. The very first day 1,500 men came to City Hall, and the building was scarcely big enough to hold them.

One of the Spaniards, who filled out a questionnaire, said that he had been in New Britain five months, had been out of work five months, and had never received a cent of wages since landing. He arrived just as the unemployment wave struck the State.

In view of the fact that hundreds of men are without visible means of support, which, according to American civilization, is a misdemeanor unless the victim sits still in one place, people of New Britain, who will have to pay the bills and support the non-English-speaking foreigners, are wondering who brought these Spaniards over and how it came about that they were allowed to get into this country.

There is a feeling among some of the taxpayers that if the factories brought the Spaniards over they ought to help them out financially instead of letting them come onto the city for support. The Mutual Benefit Association has only \$500 left, and hundreds of Spaniards are practically without funds.

#### "KING FERDINAND."

In order to find out how the Spaniards came to New Britain, and to ascertain whether there was any truth to the supposition that the Landers, Frary & Clark factory had broken the United States laws against importing foreign laborers, the Herald reporter, with a friend, visited the home of Fernando Paragoza in the block at 35 Chestnut Street, directly opposite the car barns.

Ferdinand is popularly supposed to be the king-pin among the Spaniards, and it did not take long to find out that this was so.

#### A COMMUNIST LIFE.

Ferdinand was ready to talk and made himself agreeable. The brick block houses 80 Spaniards. They are crowded into the building as close as they can get. The many rooms are crowded with beds and the cellar is the dining room, where all of the roomers dine as one large family, according to the communist plan.

All help in doing the work, although most of them are too poor to contribute much to maintaining the larder, the burden of which comes upon Ferdinand.

There are women in the crowd as well as men. The sanitary conditions are not of the best, but such can not be expected when 80 Spaniards are crowded into one building.

#### BROUGHT 700 TO TOWN.

Ferdinand, in response to questioning, said: "I have been in New Britain 16 months and have brought 700 Spaniards to the city in that time."

"I was working for the Union Construction Co. of Boston. We had a big job at Egypt on the Massachusetts shore, and finally I was working for the company on a big dam in New York State."

"It was while on the dam job in New York State that the Landers people got in touch with me. The arrangements were made through a Mr. Hubert at the employment office. I was to bring 59 men to the Landers factory from the dam, and I was to have a job as foreman at the factory."

"This arrangement was satisfactory, and I brought the 59 men and became an assistant foreman. Later I got other Spaniards to come to work for Landers."

"I wrote letters to Spain. I got 30 men at one time for the city. 'Mike,' of the street department, wanted 30 men and I got them for him.

#### STARTED RESTAURANT.

"I worked at the Landers factory for a while and then started the Spanish restaurant on Commercial Street. I kept getting more men from Spain. All told, I have brought 700 Spaniards to New Britain. There were none here before I came 16 months ago.

"I had five different pieces of property, but now all I keep is this block on Chestnut Street. I lease it for two years for \$4,800, or \$200 a month.

"The Landers factory is not helping me out now. It is a big expense to keep this crowd together. The Corbin screw factory has hired a few men."

#### A MAN OF MEANS.

Questioning as to how much he was worth did not bring a definite answer from Ferdinand.

It was noticeable that anybody in the block when questioned where Ferdinand was dropped everything and hastened to find him. It is apparent that he holds the economic position of advantage.

Rumor is that Ferdinand, besides whatever benefit may have accrued to him as procuring help for Landers, Frary & Clark, extracted liberal sums from the Spaniards whom he brought to this country in return for getting them jobs.

It is also apparent that the colony is living off his money at the present time, and that he has money or he wouldn't be able to keep up the establishment.

Mr. KING. Referring to the efforts made by the Spaniards to secure work, and their threats to burn certain plants if they did not get work, the writer says:

Please note the fact that on the dates of these occurrences that the president of this great and influential concern was a member of the State board of education, and that this said board was then and at this date is spending large sums of money on Americanization work.

From reliable information it appears that this gentleman is not now a member of the State board.

I am inclosing a book photo, taken from a report of the department of labor of the State of Connecticut, which I have marked "Exhibit D."

While the notation underneath the picture might convey the information that this scene was only during the war days, still facts remain that these same class of people are working in the mills and factories that you see in the picture, and is not it true of your words stated in the Senate under date of May 11: "Mr. President, I repeat what I said a moment ago, that a large part of the population working in the mills and factories in the State of Connecticut were foreign."

The photograph which is forwarded to me shows a large number of men, and an examination of the photograph clearly indicates the foreign nationality of the hundreds of persons shown in the photograph. Of course, I shall not ask that the photograph be inserted in the RECORD. Mr. O'Meara continues:

I am inclosing a book photo, taken from a report of the department of labor of the State of Connecticut, which I have marked "Exhibit E."

The book photo referred to shows a number of little children, I should judge from their appearance, from a year to 3 years old, who the letter indicates are maintained in the houses or in the rooms attached to the factories, brought there by their mothers while their mothers are at work in the factories. I continue reading:

You can easily see, Mr. Senator, what a condition this is; little babies in factory welfare rooms while mothers are working; no parental care to have the baby feel that it should be in a home instead of reared in a factory. Please note how they are dressed up in order to correspond to the setting of the Christmas tree.

I wish to state that there was in the year 1913 factory workers in the State of Connecticut to the number of 169,677, which increased in numbers, when in 1918 the total reached approximately 355,904. These numbers in 1918 included approximately 100,000 females.

I made the charge that many women worked in these textile mills, and that children likewise worked in many of the textile mills. This corroborates the statement which I made.

This number of factory workers are represented through some 54 nationalities, as follows:

Albanian, American, Armenian, Australian, Austrian, Bokonian, Belgian, Bohemian, Brazilian, Bulgarian, Canadian, Croatian, Cuban, Czechoslovak, Danish, Dutch, Egyptian, English, Finnish, French, Galician, German, Greek, Hebrew, Hindu, Hungarian, Indian, Irish, Italian, Japanese, Lettish, Lithuanian, Livonian, Mexican, Norwegian, Persian, Polish, Portuguese, Porto Rican, Rumanian, Ruthenian, Scotch, Serbian, Slovak, Slavish, South Americans, Spanish, Swedish, Swiss, Syrian, Turkish, Welsh, West Indian, Ukrainian.

In the year 1910, Mr. Senator, there were within the State of Connecticut persons of foreign birth to the number of 328,759.

There were in the same year engaged in gainful occupations 200,000 foreign-born persons.

There was in the same year an approximate estimate made of foreign-born employees in Connecticut, and the figures were placed at 50 per cent.

My charge was that many foreigners were employed in the protective industries of the United States, and this letter indicates that 50 per cent of the persons employed in Connecticut mills were foreign born.

There were in the same year 67,327 foreign-born people who were unable to speak the English language.

There were in the same year 49,202 foreign-born people who were unable to read or write in any language.

There were in the same year an approximate of 85,000 males of military age (18 to 45) that were unnaturalized, and who could not be required under existing treaties to fight for the United States when an emergency would come.

I wish to state that Connecticut is one of the three smaller States of the Union, having an approximate of 5,004 square miles, or, in other words, you can ride on a train in a direction from east to west in three and one-half hours' time and from a northerly direction to the south in approximately one and one-half hours.

During the years enumerated below the State of Connecticut has had a most shameful record for industrial fighting, and the two main causes of these disturbances are given according to written history as being caused by unrest and demands for more wages.

Now, if the Senator from New York is interested, and I stated that I did not think he would be interested in the number of strikes, he will listen with attention to this record of strikes:

In the year ending October, 1901, there were 11,250 persons engaged in strike difficulties, with a loss of 250,168 days' time.

In the year ending October, 1902, there were 104 strikes, 10,141 persons engaged in strike difficulties, with a loss of 235,453 days' time.

And by the way, these two years were the ones that Senator George P. McLean was governor of the State of Connecticut.

In the year ending October, 1903, there were 99 strikes, 9,217 persons engaged in strike difficulties, with a loss of 270,449 days' time.

In the year ending October, 1904, there were 36 strikes, 2,699 persons engaged in strike difficulties, with a loss of 61,218 days' time.

In the year ending November 30, 1905, there were 2,948 persons engaged in strike difficulties, with a loss of 51,682 days' time.

In the year ending October, 1906, there were 62 strikes, 6,604 persons engaged in strike difficulties, with a loss of 160,344 days' time.

In the year ending March, 1907—no record of the number of strikes, no record of the number of persons engaged—with a loss of 101,000 days' time.

In the year ending October 30, 1908, there were 3,460 persons engaged in strike difficulties, with a loss of 84,194 days' time.

In the year ending October 30, 1909, there were 5,828 persons engaged in strike difficulties, with a loss of 569,457 days' time.

In the year ending November 30, 1910, there were 51 strikes, 3,367 persons engaged in strike difficulties, with a loss of 65,895 days' time.

In the year ending October 31, 1911, there were 2,602 persons engaged in strike difficulties, with a loss of 29,240 days' time.

In the years ending 1912 and 1913 there are no available records.

In the years ending November 30, 1914, November 30, 1915, November 30, 1916, there were 422 strikes—68,000 persons engaged in strike difficulties, with a loss of 650,000 days' time.

In the years ending November 30, 1917, and November 30, 1918, there were 183 strikes—33,400 persons engaged in strike difficulties, with a loss of 509,482 days' time.

In the years ending November 30, 1919, and November 30, 1920, there were 280 strikes—75,943 persons engaged in strike difficulties, with a loss of 1,307,508 days' time.

But the Senator from New York said, as I understood him, that he had not heard of any strikes in Connecticut.

The reports for the years 1921 and 1922, ending June 30, 1922, are now in the compiling form and are not ready for publication.

In other words, there have been in these years in the State of Connecticut 235,459 wage earners engaged in industrial strife, which total a loss in days time to society of 4,295,540 days, and in these troubles human life was sacrificed, especially those that were engaged in the metal industry.

Some of the principal industrial difficulties took place at the following plants:

American Brass Co., Waterbury and Ansonia, metal industry.  
Rock Manufacturing Co., Rockville, textile industry.  
Benedict & Burnham Co., Waterbury, metal industry.  
Randolph & Clowes, Waterbury, metal industry.  
Chase Rolling Mills, Waterbury, metal industry.  
Scovill Manufacturing Co., Waterbury, metal industry.  
Plume & Atwood Co., Waterbury, metal industry.  
Waterbury Manufacturing Co., Waterbury, metal industry.  
Aldrich Mills, Moosup, textile industry; this strike is still on, July, 1922.

Mattatuck Manufacturing Co., Waterbury, metal industry.  
Waterbury Clock Co., Waterbury, metal industry.  
Farrell Foundry Co., Waterbury and Ansonia, metal industry.  
Osborn & Cheesman Co., Ansonia, metal industry.  
Yale & Towne Co., Stamford, metal industry.  
Warner Bros. Co., Bridgeport, textile industry.  
Geo. C. Batchelder Co., Bridgeport, textile industry.  
La Resistia Co., Bridgeport, textile industry.  
Columbia Graphophone Co., Bridgeport, metal industry.  
International Silver Co., Meriden, metal industry.  
Miami Manufacturing Co., Miami, textile industry.  
Underwood Manufacturing Co., Hartford, metal industry.  
Belding Manufacturing Co., Rockville, textile industry.  
Stafford Worsted Co., Stafford, textile industry.  
Sperry & Barnes, New Haven, Conn., packing industry.  
New Haven Clock Co., New Haven, Conn., metal industry.  
Goodyear Metallic Co., Naugatuck, rubber industry.  
Glastonbury Manufacturing Co., Glastonbury, textile industry.  
Warren Woolen Co., Stafford Springs, textile industry.  
Riverside Woolen Co., Stafford Springs, textile industry.  
Winchester Repeating Arms Co., New Haven, Conn., metal industry.  
Joseph Loth Co., Norwalk, Conn., textile industry.  
Rhode Island Woolen Co., Stafford Springs, textile industry.  
Bigelow-Hartford Co., Thompsonville, textile industry.  
E. J. Manville Co., Waterbury, Conn., metal industry.

It might not be amiss at this part of my supplemental letter to state that two concerns mentioned in the above list—namely, the Scoville Manufacturing Co., of Waterbury, Conn., and the American Brass Co., which controls the brass industry, what is termed the Naugatuck Valley, which runs from Derby, Ansonia, and Shelton, three cities on the south of the valley, up to Torrington, Conn., on the north—have made immense profits of recent years, some of which I am pleased to report.

There is one specially interesting point to which I wish to call particular attention:

The Scovill Manufacturing Co. increased its profits from an average of \$523,158 during the pre-war years to an increase of over \$8,000,000 for the years 1916, 1917, and 1918; this meant an increase in the rate on capital stock from 10.5 per cent to 164.9 per cent. In the year 1916 it took a profit of over \$13,000,000 on \$5,000,000 worth of capital stock, equivalent to 268 per cent on investment.

That is one of the evils of the tariff system. It builds up by tariff legislation great corporations which pay small wages to their employees and enormous profits to the stockholders. Here was one company paying during those two years \$13,000,000 profits on a capital stock of \$5,000,000.

The American Brass Co., with three times as much capital stock, increased its profits from an average of \$1,880,897, or 12.5 per cent, prior to the war to an average of over \$7,000,000, or nearly 73.3 per cent, for the war years. In 1916 it took profits equivalent to 73.3 per cent on \$15,000,000 capital stock.

And in June, 1920, when the employees of the unskilled class asked for an increase of wages that would average \$4.50 per day at the Scovill Manufacturing Co., one of the most severe industrial wars broke out by the refusal of the company to give these people a little more, and during a riot outside the plant of this company during this war death ensued and many of the police officers were badly injured.

The population of the State of Connecticut, according to the 1920 census, was 1,380,631.

On September 30, 1921, there were 353,684 children in the State of Connecticut between the ages of 4 years and 16 years.

On the conclusion of the year 1919 there was 340,404 employees in the mills and factories of the State of Connecticut—256,192 males and 84,212 females.

There was paid to this number of employees in the year 1920 the sum of \$420,955,341, leaving an average wage slightly over \$3 per diem.

Government and State taxes, railroad and trolley rates, house rents, and many of the things that the wage earners got to have to exist have gone up in leaps since then, and severe industrial troubles have existed since 1920 and are now existing at this date against reductions in wages in this State.

There is no record reliable in form that will give the numbers of wage earners that own their own homes, but the company-owned system of homes is still in operation in the mill towns of Connecticut.

I wish to state that a commission was named by the Legislature of Connecticut—I mean provided for—that had to do with the investigating of the conditions of the wage-earning women and minors, and this commission was appointed in the year 1911 by the governor of the State under special act No. 276.

This commission consisted of the following persons:

Dr. James W. McLane, Miss Alice Hill Chittenden, Mrs. Fannie Burke, James P. Woodruff, and Patrick H. Connolly.

The commission met for the first time October 3, 1911, at the city of Hartford, Conn., and elected Dr. James W. McLane as the chairman.

Doctor McLane plunged into the work of this commission with so much energy that his health failed him, and he was relieved by his own request in August, 1912; the governor then appointed Dr. Charles E. Brayton as his successor, and with great regret do I state that in the midst of his work for this important commission Doctor Brayton died suddenly on December 2, 1912, and the work was finished by the remaining four members of the commission naming the Hon. James P. Woodruff as chairman and Miss Alice Hill Chittenden as the secretary.

The commission investigated the cotton, silk, metal, rubber, and ready-made corset industries.

The commission had for its aids some of the most enlightened and well-versed people of the United States.

The commission in its final report made special mention of the valuable services rendered to it by none other than that very learned gentleman, Hon. Henry W. Farnum, of Yale University.

I wish to give some of the statements as picked from various paragraphs of the report of the commission bearing on the wages paid to employees.

On page 16, subdivision of the compiled Connecticut documents, appears the following:

"A close study of the table shows that in the cotton industry 29.28 per cent of the women employed earned less than \$7; in silk 58.15 per cent earned less than that; in metal the number falls to 48.99 per cent; in corsets to 50.14 per cent; in rubber to 49.43 per cent; while the earnings of 48.40 per cent of all those employed in these industries fall below the \$7 wage scale. It is, therefore, evident that practically one-half of the women employed in these factories earn less than a living wage."

On page 31 appears the following:

"No children were found employed on night work in the industries investigated, but in the cotton and silk mills children between 14 and 16 years of age were employed 10 and more hours a day, and in one silk mill they were found working 11 hours a day."

"In cotton mills children under 16 were found employed in roving and drawing in the same room in which carding was done. The lint was very bad and the humidity extremely high in these rooms."

On page 35 appears the following:

"Hours of labor in all factories were too long according to the standards of more advanced States. Ten and a half or eleven hours a day is far too long for any woman to work under factory conditions, especially when these hours are often extended far beyond even legal excess by overtime work."

"The very large percentage of young girls in Connecticut factories probably accounts for the low wages which were found in the investigation of the five industries investigated."

Mr. WALSH of Massachusetts. Mr. President—

The PRESIDING OFFICER (Mr. BROUSSARD in the chair). Does the Senator from Utah yield to the Senator from Massachusetts?

Mr. KING. I yield.

Mr. WALSH of Massachusetts. Will the Senator state what year the report was written?

Mr. KING. The commission was appointed in 1911. I do not know when the commission reported.

Mr. WALSH of Massachusetts. It was probably shortly after that time?

Mr. KING. The report states that the commission met for the first time October 3, 1911; that the chairman of the commission, because of ill health, was relieved at his own request

in August, 1912. I presume the report was made in 1912 or 1913.

Mr. WALSH of Massachusetts. The report refers to the State of Connecticut?

Mr. KING. Oh, yes. The commission was appointed by the Legislature of the State of Connecticut.

Mr. WALSH of Massachusetts. No such conditions prevail in the cotton mills of Massachusetts.

Mr. KING. I am very glad to know that.

Mr. WALSH of Massachusetts. I think there has been a general improvement since that period in the State of Connecticut.

Mr. KING. I think the Senator is right. I am not reading this for the purpose of indicating that conditions now are as they were in 1911 and 1912. The statement which I made during the debate referred to the protected industries, and I stated in a general way that following the Civil War the Republicans inaugurated a policy of giving bounties and subsidies in the shape of tariffs to certain protected industries, and that those industries had imported labor from abroad, crowding out the American workman and forcing down the prices of labor. As I understood, the able Senator from Connecticut [Mr. McLEAN] did not quite assent to the statements which I made and the conclusions which I drew from what I believed to be the facts. I also called attention to the letter of Mr. O'Meara, the president of the State federation of labor, and the Senator from Connecticut read that letter or portions of it, and I understood from his attitude that he did not quite assent to the statements made by Mr. O'Meara.

I continue reading:

On page 57 appears the following:

"The following gives the earnings of all females and males in 11 selected occupations employing women and children in the eight cotton mills visited; wages were copied directly from the pay rolls for a recent and normal period. The employees from whom such information was gathered number 757 males and 1,184 females. In weaving, largest per cent are in the \$10 and \$10.99 group for both men and women. A greater number of men than women, however, earned over the \$10. Only 33.76 per cent of the men employed earned under the \$10 and 51.18 per cent of the women. In ring spinning all of the men earned less than \$10, and 96.45 per cent of the women. The largest per cent of men were in the \$8 and \$8.99 group. In roving, 52.09 per cent of the men earned under \$10 and 63.02 per cent of the women; in spooling, 76.93 per cent of the men and all of the women."

On page 219 appears the following:

"The three rubber factories investigated ran on a schedule of 54, 58, and 59 hours a week, as reported by them. The 59-hour schedule throughout the year is, of course, illegal, although this factory seemed unaware of it. The factory which reported 58 hours a week ran 60 hours a week practically every week for the 12 months copied from the pay rolls, and violated the summer schedule completely."

"Especially provisions for the health of women in rubber factories ought to be made by means of mechanical ventilating systems and separate wash and lunch rooms because of the naphtha fumes and talcum dust to which they are exposed. In none of the factories visited was such provision made, and the women ate their lunches at their benches."

On page 188 appears the following:

"An investigation of safety conditions in a number of factories was made for the commission by Mr. William Newell; Mr. Newell visited five of the supposedly best factories in the State. Mr. Newell's report shows a decided lack of provision for the safety of employees in Connecticut."

On page 18 appears the following:

"Connecticut has a large percentage of married women among its wage-earning women. Of the women in the factories investigated by the commission, 20.39 per cent were married. This high percentage is accounted for by the fact that so many foreigners are employed in the metal and textile trades, and the foreign woman usually remains in industry after marriage."

Please note, Mr. Senator, where the report relates to the employment of so many foreigners.

I wish to state that wages paid in the American Thread Co.'s extensive establishment in Willimantic, Conn., were as follows:

In the year 1914, inspecting room, \$11 per week of 54 hours.  
In the year 1916, inspecting room, \$12 per week of 54 hours.  
In the year 1922, inspecting room, \$15 per week of 48 hours.  
In the year 1916, dye room, \$16 per week of 54 hours.  
In the year 1922, dye room, \$26 per week of 48 hours.  
In the year 1916, packing rooms, \$14.  
In the year 1922, packing rooms, \$18.

I wish to state that in the metal industries that the scale of wages for the years 1914, 1919, and 1922 are as follows:

	1914	1919	1922
	Cents.	Cents.	Cents.
Machinists.....	40	75	58
Toolmakers.....	45	80	63
Millwrights.....	35	65	50
Machinists' helpers.....	28	55	42
Machine operators (gun parts).....	23	42	23
Machine operators (clock parts).....	23	40	23
Assemblers (gun parts).....	27	45	30
Assemblers (clock parts).....	27	45	27
Lock assemblers.....	30	50	35
Machine operators (lock operators).....	25	40	27
General shop labor.....	20	40	22

These rates, Mr. Senator, are on the hourly basis, and have been obtained by the writer during the past week from various parts of the State of Connecticut.

Mr. McLEAN. Mr. President—  
The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Connecticut?

Mr. KING. I yield.

Mr. McLEAN. I have been out of the Chamber while the Senator has been reading from the report, but I am informed that it refers to industrial conditions in the State of Connecticut.

Mr. KING. Yes.

Mr. McLEAN. What is the date of the report?

Mr. KING. I am sorry that the Senator was not present when I began my speech, though I sent for him as soon as I came into the Chamber in order that he might be advised that I intended in part to reply to statements made by him the other day. I said that I would call attention first to a letter which I had received under date of July 20 of this year from Mr. Patrick H. O'Meara, president of the Connecticut Federation of Labor. Mr. O'Meara has sworn to the letter, so that it is in the nature of an affidavit. He quotes from a report made by the commission which was created by the act of the Legislature of Connecticut.

Mr. McLEAN. In what year?

Mr. KING. The commission was appointed in 1911, and I presume reported in 1912.

However, let me say to the Senator that I am just reading now from Mr. O'Meara's statement as to the wages paid in Connecticut in 1914 and various years up to the present time. I shall read the entire letter, which is in the shape of an affidavit, and I shall be glad to have the Senator then examine it in the RECORD.

In the report coming from the labor commissioner's office for the year ending 1918 there appears, on page 124, the following:

"In 1918 the number of certificates issued to child workers between 14 and 16 in all occupations was 13,750, up to and including October 31, 1916; from November 1, 1916, to November 1, 1917, 11,502 regular permits and 3,224 vacation were given out, amounting to 14,837; from November 1, 1917, to November 1, 1918, the regular permits were 13,715 and 4,003 vacation; from August 1, 1918, to November 1, 1918, 3,943 regular and 251 vacation were certified, a total of 4,194. It is easy to figure from this the proportion in which child labor increased in the State in the epochal period of the war."

Mr. McLEAN. If the Senator will pardon an interruption—and I shall not interrupt him unless he is willing that I should do so—

Mr. KING. I have no objection to the Senator interrupting me.

Mr. McLEAN. Of course, the Senator from Utah knows that we have a very stringent child labor law in Connecticut, and I presume that the permits to which Mr. O'Meara has referred were granted during the harvesting season, when children could get employment, especially in the tobacco fields, picking tobacco, and in other employments out of doors. I do not know whether or not there is any explanation of that in the report from which the Senator is reading.

Mr. KING. I do not see any, I will say to the Senator. Mr. O'Meara proceeds:

There appears on page 7 of the same issue, the following:

"The year 1915 was remarkable for a widespread dissatisfaction in the laboring and producing classes with wages and hours as then prevailing, this dissatisfaction spread almost simultaneously all over the country, and had an outlet in a series of strikes in many related and totally distinct industries, which for stubbornness and length has never been paralleled in Connecticut, whatever the experience of other States."

I wish to state, Mr. Senator, that during the past 21 years in the State of Connecticut, that with the exception of 4 years the political destinies of the State have been with the Republican Party, and for the past 25 years with the exception of 8 years that the same conditions have prevailed from a national standpoint, and it can be easily observed what the average wage earner has received and what he can expect from the party that yells for protection—it means protection of their own pockets, and not those of the wage earner—that has been established for years, still the voter blindly keeps on voting into office men of a party that never will entertain a semblance of sympathy for the wage earner. And when Senator McLEAN states that Connecticut employers are paying wages of a better level than elsewhere, he has not taken the trouble to investigate into living conditions in the cities where these poorly paid wage earners live; we can bring him around my home city into localities where now two families are compelled to house themselves in order to exist; let him drop in here and we will show him where in an ordinary bedroom in a tenement flat, the parents sleep in one bed, there are in some beds four and five children therein in the same room, measuring 9 by 11 feet, and the other family existing in the same way in an adjoining room of the same size.

The many social agencies are continually reporting that conditions are worse than ever dreamed of, and something is urged to be done to stop it, and in all fairness how can it be done with the head of the home coming in with a wage that can not but keep him and his family in this bad condition.

Might I state, also, Mr. Senator, that the most authentic report obtainable that there is in the State of Connecticut, the astounding fact that there are 280 millionaires in Connecticut, 52 of whom possess more than \$2,000,000, one being credited with \$8,000,000, or, in other words, the people of Connecticut have a millionaire for each 4,300 inhabitants.

I wish to state, also, Mr. Senator, that the statement made on page 7121 of the CONGRESSIONAL RECORD, date of May 17, 1922, on the right-side top, by Senator MOSES, of New Hampshire, to the effect that there are some 717,000 depositors in the savings banks of Connecticut; that

his inference being that all of these depositors are people in the wage-earning class, is far from the truth, for I would like to ask him, through you, Mr. Senator, if he would please inquire as to who deposited during the past year the sum of approximately \$52,000,000 in the savings banks of Connecticut, this transaction taking place after the merger of the famous copper deal in this State? I was wondering if he classed the people that deposited this great sum in many of the banks; that if they were wage earners, and from very reliable sources this vast deposit was a welcome thing to some of the banks at that time.

I wish to state that according to figures published September, 1921, that the amount of money invested in manufacturing in Connecticut was \$1,343,900,000.

Personally appeared Patrick F. O'Meara, president of the Connecticut Federation of Labor, residing at 122 Grafton Street, New Haven, Conn., and affirms that the foregoing statements to be true to the best of his knowledge and belief before me, this 20th day of July, A. D. 1922.

[SEAL]

FRANK S. BERGIN,  
Notary Public.

Mr. President, in May, 1920, the Bureau of Labor Statistics of the Department of Labor published Bulletin No. 265 on wages and hours of labor, compiled from an industrial survey in selected industries in the United States for 1919. It must be observed that this year was a very active one in the industries of the country and wages reached the highest levels known. The average wages per hour, as reported in this survey, give a fair indication of the relation which then existed between wages in the different trades.

This survey indicates that the lowest wages in the particular trades and industries covered were generally paid in the factories and industries of Connecticut, notwithstanding the boom which the war gave to Connecticut industries and which was in force without diminution in the year 1919 covered by the survey.

I have gone through the records and I have compiled a large number of statistics showing the wages paid per hour in Connecticut and in various other States in the Union, and the results, as I now recall them, in every instance were as I have indicated, namely, that Connecticut paid lower wages than other States.

The survey shows that in the paper-box industry cutters and creasers were paid in Connecticut 38.6 cents per hour as against 49.8 cents paid in New Jersey, and that cutters, scorers, and corner cutters were paid in Connecticut 39.5 cents per hour as against 45.6 cents paid in Michigan; that die makers and pressmen were paid in Connecticut 50.2 cents per hour as against 61.8 cents paid in New York; that laborers were paid in Connecticut 35 cents per hour as against 41.4 cents paid in Illinois; that scrappers were paid in Connecticut 32.8 cents per hour as against 44.6 cents paid in New Jersey; that coverers were paid in Connecticut 29.3 cents per hour as against 31.2 in Massachusetts; that cutters, scorers, and corner cutters were paid 21.4 cents per hour as against 26.8 in New York; that gluers-off were paid in Connecticut 21.5 cents per hour as against 23.7 in Ohio; that glueing-machine operators were paid in Connecticut 27.8 cents per hour as against 30.3 paid in Illinois; and that female table workers were paid in Connecticut 25.4 cents per hour as against 27.5 in Illinois.

That in the chemical industry foremen of mechanical operations were paid in Connecticut 50.9 cents per hour, as against 72 cents per hour paid in Kansas.

That in the electrical machinery and apparatus industry machine setters were paid in Connecticut 42.5 cents, as against 55.8 cents paid in New Jersey; that machinists were paid in Connecticut 51.8 cents per hour, as against 66.9 cents per hour paid in Illinois; that metal finishers were paid in Connecticut 37.8 cents per hour, as against 42.1 cents paid in New York; that milling-machine hands and operators were paid in Connecticut 43 cents per hour, as against 49.3 cents per hour paid in New York; that polishers and buffers were paid in Connecticut 42.1 cents per hour, as against 55.1 cents per hour paid in Pennsylvania; that punch-press hands and operators were paid in Connecticut 38.8 cents per hour, as against 63.8 cents per hour in Indiana; that screw-machine hands and operators were paid in Connecticut 42.6 cents per hour, as against 63.6 cents per hour paid in New Jersey; that coil winders were paid in Connecticut 27.4 cents per hour, as against 31.1 cents per hour paid in New York; that connectors and insulators were paid in Connecticut 27.4 cents per hour, as against 30.3 cents per hour paid in New York; that drill-press hands and operators were paid in Connecticut 27.5 cents per hour, as against 36.7 cents per hour paid in New York.

That in foundries chippers and grinders were paid in Connecticut 49.1 cents per hour, as against 64.5 cents per hour paid in Iowa; that first-class core makers were paid in Connecticut 63.3 cents per hour, as against 84.6 cents per hour paid in Oregon; that core makers were paid in Connecticut 42.1 cents per hour, as against 64.7 cents per hour paid in Michigan; that crane operators were paid in Connecticut 50.8 cents per hour, as against 85.7 cents per hour paid in Washington; that cupola

tenders were paid in Connecticut 53.3 cents per hour, as against 79.3 cents per hour paid in Oregon; that handy men in Connecticut were paid 53.2 cents per hour, as against 71.7 cents per hour paid in Missouri; that laborers were paid in Connecticut 43.7 cents per hour, as against 58.1 cents per hour paid in Oregon; that bench molders were paid in Connecticut 58 cents per hour, as against 73.4 cents per hour paid in Michigan; that floor molders were paid in Connecticut 64 cents per hour, as against 83.2 cents per hour paid in California; that machine molders were paid in Connecticut 43.6 cents per hour, as against 68.2 cents per hour paid in Iowa; that molders' helpers were paid in Connecticut 44 cents per hour, as against 50.3 cents per hour paid in Missouri; that pattern makers were paid in Connecticut 59.4 cents per hour, as against 90.1 cents per hour paid in Ohio.

That in the hosiery and underwear industry boarders were paid in Connecticut 41.1 cents per hour as against 56.9 cents per hour paid in Pennsylvania; that machine fixers were paid in Connecticut 49.9 cents per hour as against 57.8 cents per hour in Ohio; that pressers were paid in Connecticut 34.2 cents per hour as against 55.8 cents per hour paid in Wisconsin; that buttonhole makers were paid in Connecticut 25.6 cents per hour as against 36.1 cents per hour paid in Wisconsin; that button sewers were paid in Connecticut 28 cents per hour as against 33 cents per hour paid in North Carolina; that hand cutters were paid in Connecticut 43.9 cents per hour as against 27.4 cents per hour paid in Wisconsin; that finishers were paid in Connecticut 24.8 cents per hour as against 31.6 cents per hour paid in North Carolina.

That in the machine industry blacksmiths were paid in Connecticut 66.5 cents per hour as against 81 cents per hour paid in Oregon; that blacksmiths' helpers were paid in Connecticut 48.2 cents per hour as against 51.6 cents per hour paid in Missouri; that drill-press men were paid in Connecticut 51.2 cents per hour as against 63.7 cents per hour paid in Minnesota; that fitters were paid in Connecticut 60.9 cents per hour as against 70.5 cents per hour paid in Missouri; that gear cutters were paid in Connecticut 57.2 cents per hour as against 71.9 cents per hour paid in New York; that grinders were paid in Connecticut 54.7 cents per hour as against 66.7 cents per hour paid in New York; that handy men, hookers on, and painters were paid in Connecticut 47.6 cents per hour as against 64.7 cents per hour paid in California; that laborers were paid in Connecticut 41.9 cents per hour as against 58.7 cents per hour paid in California; that lathe men were paid in Connecticut 54.2 cents per hour as against 71.3 cents per hour paid in Pennsylvania; that machinists were paid in Connecticut 55.7 cents per hour as against 90.8 cents per hour in California; that milling-machine men were paid in Connecticut 51.6 cents per hour as against 69.2 cents per hour paid in Missouri; that millwrights were paid in Connecticut 55.9 cents per hour as against 68.2 cents per hour paid in New York; that planer and shaper men were paid in Connecticut 60.9 cents per hour as against 69 cents per hour paid in Oregon.

That in the paper and pulp industry back tenders were paid in Connecticut 41.2 cents per hour as against 67.7 cents per hour paid in Minnesota; that beater men were paid in Connecticut 46.2 cents per hour as against 62.6 cents per hour in Minnesota; that machine tenders were paid in Connecticut 56.7 cents per hour as against 80.5 cents per hour paid in Minnesota; packers were paid in Connecticut 36.1 cents per hour as against 50.8 cents per hour paid in Pennsylvania; third hands were paid in Connecticut 35.1 cents per hour as against 53.1 cents per hour paid in Minnesota.

In the typewriter, computing-machine, and cash-register industries aligners are paid in Connecticut 59.9 cents per hour as against 69.8 cents per hour paid in New York; that assemblers and welders were paid in Connecticut 36.1 cents per hour as against 48.5 cents per hour paid in New York; that drill-press men and operators were paid in Connecticut 43.2 cents per hour as against 55.8 cents per hour paid in Michigan; that fitters and filers were paid in Connecticut 43.6 cents per hour as against 48.2 cents per hour paid in New York; that gear cutters and lathe operators were paid in Connecticut 58.2 cents per hour as against 61.5 cents per hour paid in Michigan; that grinder hands were paid in Connecticut 45 cents per hour as against 59.7 cents per hour paid in New York; that handy men were paid in Connecticut 38.6 cents per hour as against 48.9 cents per hour paid in New York; that case hardeners and annealers were paid 45.2 cents per hour in Connecticut as against 67.9 cents per hour paid in Indiana; that inspectors—final—were paid 59.3 cents per hour in Connecticut as against 73.7 cents per hour paid in New Jersey; that jappanners and annealers were paid in Connecticut 47 cents per hour as against 57.4 cents per hour paid in Michigan; that laborers were paid in Connecticut 35.2 cents per hour as against 43.3 cents per hour

paid in Michigan; that machine setters were paid in Connecticut 49.8 cents per hour as against 55.2 cents per hour paid in New York; that machinists were paid in Connecticut 59.7 cents per hour as against 68 cents per hour in Michigan; that milling-machine operators were paid in Connecticut 43.9 cents per hour as against 50.1 cents per hour paid in New York; that electro and nickel platers were paid in Connecticut 52.5 cents per hour as against 59.5 cents per hour paid in New York; that polishers and buffers were paid in Connecticut 53.9 cents per hour as against 54.7 cents per hour paid in New York; that rough polishers were paid in Connecticut 41.9 cents per hour as against 58.9 cents per hour paid in New York; that punch-press hands were paid in Connecticut 38.5 cents per hour as against 58.2 cents per hour paid in Michigan; that screw-machine hands and operators were paid in Connecticut 46.8 cents per hour as against 54.1 cents per hour paid in Michigan; and that tool-makers, die makers and sinkers were paid in Connecticut 66 cents per hour as against 81.6 cents paid in Indiana.

#### PRE-WAR WAGES IN THE TEXTILE INDUSTRY.

It is well known that wages paid in the cotton and woolen manufacturing industry in this country are, generally speaking, the lowest for any of the American industries. Textile manufacturing has been the special object of protectionist solicitude and legislation; indeed, the textile interest has been the dominant interest in the framing of tariff legislation. The textile industry is a typical protected industry, and the obvious fact is that in this industry wage rates are at much lower levels than in the nonprotected industries such as the railroad occupations and crafts, the building and construction trades, and the telephone and electrical trades. This fact is so well known as to not require a demonstration.

This condition was also well known in pre-war years, as was clearly brought out in a study of wages in the United States in 1908 to 1910 by Scott Nearing, a professor in the Wharton school of the University of Pennsylvania, which was published in 1911 under the title "Wages in the United States, 1908-1910"—"A study of Federal and State wage statistics."

Professor Nearing found that the State of Massachusetts had collected and published the most complete wage statistics then available, and he makes a particular examination of these Massachusetts statistics. On page 31 of his book he says:

These industries are really divisible, according to the numbers employed, into two groups, those industries employing more than 40,000 persons, and those employing less than 15,000 persons. Between these two extremes not a single industry appears. A study of the above table shows that wages range much lower in the textile industries. Thus in cotton goods, worsteds, woolens, and dyeing and finishing, there are respectively 31, 21, 25, and 21 per cent of the employees paid under \$8 a week. In the other industries these percentages are much lower, with a maximum in furniture of 15 per cent, and a minimum in foundry and machine shop of 6 per cent.

Similar deductions may be made from an analysis of the higher-wage group. In the textile industries (cotton, worsteds, woolens, and dyeing and finishing) there are, respectively, 9, 17, 10, and 12 per cent of employees receiving more than \$15 per week, while in the other industries the percentages above \$15 per week are:

	Per cent.
Boots and shoes	42
Foundry and machine shop	32
Leather	16
Paper	18
Furniture	17
Jewelry	47

The proportion of wage earners receiving above \$15 per week is therefore considerably higher in the non-textile than in the textile industries.

The textile industry is notable for the large proportion of women and children employed, and it is common experience that the presence of a large number of women in the industry is a sure sign of a low-paid industry. In 1908 nearly one-half of the number of minors employed in Massachusetts were employed in the cotton-manufacturing industry, and the number of women employed in the cotton-manufacturing industry is nearly as high as the number of men employed in the industry.

Mr. Nearing, on page 44 of his book, says:

Seven-tenths of all adult males receive weekly wages running from \$9 to \$20, while more than four-fifths of the adult females receive from \$5 to \$12 per week. The classified weekly wages of the adult males of Massachusetts are therefore almost twice as high as the wage of the adult females.

And on page 45 Mr. Nearing says:

Cotton goods, the largest Massachusetts industry in so far as the number of employees is concerned, pays the lowest wages of any of the leading industries. Of the adult males (over 21 years) nearly one-third receive under \$8 per week, while four-fifths of the total adult males receive less than \$12 per week, leaving only one-tenth of the entire number of adult males with weekly incomes of over \$15. The wages of the adult females (over 21 years of age) are lower than the wages of adult males, but not lower in the proportion that they are in other industries. Half of the adult females receive less than \$8 per week, nearly a half receive wages ranging from \$8 to \$12, leaving only one-twentieth of the adult females with weekly wages over \$12 and none with weekly wages over \$15.

From these two industries the conclusion is obvious: that, for a man settling in Massachusetts, a boot and shoe town is infinitely preferable to a cotton mill town, in so far as wages are concerned. The work may be harder or more technical, but the difference in wage between the two industries is very considerable.

Thus the boot and shoe industry paid by far the best wages to adult males, while the lowest wages were paid in the cotton industry.

And, on page 57, Professor Nearing says:

In cotton goods, the leading Massachusetts industry, the wages are very much lower than in the State at large, nearly three-fifths of all the adult male employees receiving less than \$459 in 1918.

It is notorious that the cotton-mill towns of New England have a working population containing a large number of persons of foreign birth, and that in these towns are paid the lowest wages paid in the United States, and are also to be found the most undesirable living conditions encountered anywhere in the country. The pretense that the tariff on textiles is laid for the purpose of protecting the wages of the American workman is hardly made good in the fact that the wages in this most protected of all American industries are the lowest paid in any American industry, and that the condition of the employees in this industry approach more nearly the status of servitude than in any other industry in the country. Not only are the wages low but thousands of women and children are practically chained to their daily tasks by the drivings of hunger and the inexorable demands of nature for food, clothing, and shelter. The textile industry which has called the loudest for protection upon the score of Americanism presents the most un-American conditions to be found in any quarter of the land. On this point, Professor Nearing says, on page 75, of his book:

The contrast is marked between Massachusetts and New Jersey, with tens of thousands of women and thousands of children at work, and Kansas, with 3,600 women and 600 children. In Massachusetts the women formed 30 per cent of the total wage earners; in New Jersey, they formed 25 per cent; but in Kansas less than 7 per cent of the total wageworkers are women.

To compare the wages received by women in a free American industry, such as the wages paid to operators on telephone exchanges, with the wages paid to women in the textile industry, will give us a clear picture of the distinction between the free industries and the protected industries in this country as respects the wages and welfare of their employees.

Mr. McLEAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Connecticut?

Mr. KING. I do.

Mr. McLEAN. To what industry is the Senator referring now?

Mr. KING. The nonprotected industries. I am speaking now of telephone operators.

Mr. McLEAN. The Senator calls those "nonprotected." Of course, he knows that we do not import telephone operators. There is an absolute embargo against competition in that line.

Mr. KING. The Senator can make such deductions as he pleases. My contention is that the reactionary Republicans in the past and now have been imposing upon the American people exorbitant taxes in the form of tariffs, upon the pretense that those duties were essential for the protection of the wages of the American employees; and I have contended that the wages paid in the most highly protected industries were lower than those paid in the industries that had no protection.

Mr. McLEAN. The Senator knows that there are about 33 per cent of our people engaged in agriculture and about 33 per cent in manufacturing pursuits, and the other third in other occupations, and that the other third have an absolute embargo. We do not import hotels and hospitals and schoolhouses and colleges. Consequently, our masons and painters and carpenters and other tradesmen have an absolute embargo against competition. They do not need any protection, and that is the reason why their wages are very much higher than the wages in the industries where they have to meet severe foreign competition.

The fact is that in the cotton industry and most of the textile industries the competition from abroad is so fierce that the American producer has had to cut his wages; and the Senator also knows that competition in the South in many lines of cotton goods is very severe and that the wages in the South are much lower than they are in New England. That was made clear by a statement presented to the Senate the other day by the Senator from Massachusetts [Mr. Lodge].

If the Senator will permit me, I was not here, and am not familiar with the different industries to which the Senator has called the attention of the Senate at this time; but the statement which I put into the Record the other day was taken from the census reports, and it was to the effect that the

average wage in Connecticut in 1919 was \$3.56 a day; and the fact is that to-day, probably, we are working about from 40 to 50 per cent of capacity, perhaps 60 per cent. We will call it 60 per cent. That means a reduction in our pay roll in Connecticut of \$140,000,000 a year; and the Senator can realize that under those conditions we must do one of two things—we must either cut wages or else we must have adequate protection.

The fact that some of these rates may seem to be high signifies nothing, because if they are not high enough to equalize the difference in the cost of production here and abroad, of course, they are ineffective; and as a result in these industries where the competition is fierce, and against which Germany has made a special drive, there is only one of two things for us to do—we must cut wages or go out of business.

Mr. KING. Mr. President, the Senator has stated now what he has heretofore stated in various forms, perhaps in different phraseology; but the whole burden of the able Senator's position has been that protection is the panacea for all the ills to which our industrial system is heir.

Mr. McLEAN. If the Senator will permit one more interruption, I want to say to him that I am not opposed to any criticism or any investigation that is just and founded on fact, and no one regrets more deeply than I do the necessity for paying low wages. I believe in good wages. For that reason, I want protection that will enable the manufacturer to pay good wages; and I call the Senator's attention to the most recent resolution adopted by the American Federation of Labor on the tariff question.

Mr. KING. I wish the Senator would put that in in his own time.

Mr. McLEAN. It is only 7 or 8 lines, and then I shall have concluded, if the Senator will pardon me, because I do not want to take the time of the Senate in discussing this matter.

Mr. KING. All right; I yield.

Mr. McLEAN. It is as follows:

That this convention go on record in favor of the policy of industrial preparedness and the enactment of laws by Congress that will adequately protect all wage earners of our country against the loss of employment through any industrial invasion on the part of the products of any of the other nations.

I want to say to the Senator that Mr. O'Meara may be opposed to a protective tariff, but the secretary of the Federation of Labor in the State of Connecticut has recently signed a statement in favor of protection, and the Senator knows that representatives of the American Federation of Labor have appeared before the Committee on Finance on many of these schedules demanding adequate protection. The only hope of the American wage earner, the only possible way in which our standard of living can be maintained, is to give adequate protection to these industries which meet foreign competition.

Mr. KING. Mr. President, the able Senator from Connecticut, in my time, has delivered two admirable addresses from his standpoint, and has restated the arguments which he has adduced so often in the Senate—the arguments of the protectionists who believe that the prosperity of the American people is dependent upon raising to the skies the tariff rates so that the United States may be excluded from trade and commerce with the world.

It was not my purpose to-day to enter into any general discussion of the question of tariff or the relation of tariff to wages. I brought these matters to the attention of the Senate only because of the apparent challenge of the Senator from Connecticut and the Senator from New York the other day of some observations which I submitted, and of the letter which I offered for the Record, written by the president of the Federation of Labor of the State of Connecticut.

If I had the time to-day—and I apologize to the committee for trespassing upon the time of the Senate when they are discussing another important measure—I should be glad to analyze some of the statements made by my able friend, and review the arguments which he has again presented in favor of protection. I have no doubt that there are many men, members of the Federation of Labor, who are inoculated with the same virus of protectionism that has taken possession of my learned friend, and which guides his conduct here in the formulation of tariff legislation. Of course there are many people in the United States who follow the heresies that are so eloquently and ably championed by the able Senator from Connecticut. He states over and over again that the condition of wages depends upon the tariff, that the condition of American industry is related to the tariff, and depends upon inordinately high tariff duties. We discussed that question several weeks ago, and I do not care to enter into it now, as I am anxious to conclude in order that we may resume the discussion of

the schedule which is now under consideration. There are other members of the Federation of Labor, though, who do not see in this tariff bill which the Senator is so ably defending the beneficial results which are prognosticated for it by my friend. I believe that the laboring people of the United States more generally now than in the past appreciate the fact that the Republican Party's financial policies have never been in the interest of the great consuming public, including the laboring men, but that many of the financial policies of the Republican Party have been dictated by selfishness, by a determination upon the part of large manufacturers and certain interests to exploit the American people, buttressed behind enormous tariff walls which prevent legitimate and proper competition. But this bill, with its enormities, being made known to the people, will disillusion my friend from Connecticut, and he will discover that the laboring men of the United States are not by any means a unit in their support of it. I repeat that as its schedules become known, and when the bill shall have passed and been put into operation, the American people will challenge the wisdom of the measure and condemn those who have driven through under the party lash a bill containing schedules so high that they have never been paralleled in any of the tariff legislation of the past.

Mr. President, recurring to the matter to which I have directed the attention of the Senate, in 1910 telephone operators were paid \$34.84 per week in Salt Lake City; \$35.84 per week in San Francisco; \$27.32 per week in Dallas, Tex.; \$29.52 per week in Omaha, Nebr.; \$29.44 per week in St. Louis, Mo.; \$27.09 per week in Washington, D. C.; \$29.16 per week in Philadelphia, Pa.; and \$36.96 per week in New York; whereas the mill women of Massachusetts were in the same year only paid from \$8 to \$12 per week, half of the number receiving less than \$8 per week; nearly half receiving from \$8 to \$12 per week; but only one-twentieth receiving more than \$12 per week, and none receiving more than \$15 per week as wages for service in the cotton mills.

The pretense that the tariff is laid for the promotion and protection for American wages and American conditions in industries is thus revealed as a bald and fictitious assumption. The facts indicate that avarice for money has been the dominating motive in the writing of the textile tariff and that the purpose of these tariffs has been not the protection of wages but the protection of profits. Some persons have contended that there is no advantage in transporting great numbers of foreign wage seekers to our mill towns over admitting to our ports the manufactures of foreign production. They claim that if our people may be engaged in more profitable and healthful pursuits than working in the textile mills, there is no reason why legislation should be passed to foster an industry which demands the services of depressed men and of women and children who have no business working in factories at all—at least not in this great and free country.

I want to read briefly from a letter written by Mr. Thomas F. McMahon, international president of the United Textile Workers of America, under date of July 19, 1922. He states that—

More than six or seven years ago we had a strike in New London at the Armstrong Thread Co. Five years ago we had a strike in the Salts Textile Co. in Bridgeport. We had two strikes in Stonington, one or two in Mystic, one or two in Moosup, and a big strike in Willimantic.

I have called attention in the affidavits submitted by Mr. O'Meara to the large number of strikes that have occurred in Connecticut for a number of years last past.

The loom fixers and mule spinners, the highest type of cotton-mill workers, receive in Connecticut about \$26 per week for 55 hours. The average weaver, running 12 looms, makes about \$22.

Spinning room help and girls running 8 or 10 sides, of 116 spindles each side, receive \$17 per week of 55 hours. Doffers in the same department received about \$15. Carding room and picker room of a cotton mill average about \$14 for men for 55 hours.

He is speaking of the present year.

The foregoing shows conclusively that necessity compels the wife and mother to go to work in order that the offspring may at least receive some of the rough and coarse necessities of life, as luxuries are unknown in the homes of the cotton workers to-day. Children are compelled to go to work by the employers of their fathers and mothers under penalty in many cases of losing their own employment or being turned out of the company's tenements. Nice, easy jobs are made for the children by the employers so as to keep them off the street and that their parents will know where they are, and, as a matter of fact, the father and mother with a large family will find that they have the key to open the mill door of any mill in New England because of the fact that they are responsible for so many thousands of dollars to be taken out of the lives of those who compose this young brood.

There is no man or woman living to-day who can describe conditions inside of a cotton mill, particularly during the warm weather. The natural heat and the artificial heat that is necessary for produc-

tion leaves the room where human beings toil in nearly an unbearable condition. Men and women just cover their nakedness in these rooms; otherwise they could not stand it.

Women and children predominate in a cotton mill, and it is common now to see the \$8 or \$9 a week job. All the data and all the statistics in the United States would not be as valuable as one visit from the honorable Senator into a cotton mill in Baltimore, Md., about 30 miles from Washington, and if he but walks through each department and notes the physical condition of the operatives he will fully appreciate that not only are the textile workers underpaid but that the rate of pay to-day is forcing them into slow death through the starvation method.

Trusting that the above will assist you, and with best wishes I am, Fraternally yours,

THOMAS F. MCMAHON,  
International President United Textile Workers of America.

I have here an excerpt from the Washington Post, under date of July 17, an Associated Press dispatch, giving a statement of the New England textile strike, which is now in its seventh month with 50,000 operatives idle and more than 40 plants affected. I ask leave to have this printed in the Record without reading.

There being no objection, the article was ordered to be printed in the Record, as follows:

TEXTILE STRIKE GROWS—LOWELL MILLS CLOSED—10,000 ADDITIONAL OPERATIVES CALLED OUT BECAUSE OF WAGE REDUCTIONS.

Boston, July 17 (by the Associated Press).—The New England textile strike, which is now in its seventh month with 50,000 operatives idle and more than 40 plants affected, spread to-day in force to Lowell, Mass. Strikes have been called against 3 plants in Lowell which reduced wages 20 per cent. These plants employ more than 10,000 operatives.

Beginning late in January in the Pawtuxet Valley of Rhode Island, textile strikes have been in progress in three main areas—Rhode Island, New Hampshire, and Lawrence, Mass. Announcements of wage reductions of 20 per cent, held by the mill owners to be made necessary by the competition of southern mills, preceded all the strikes. In Rhode Island and New Hampshire an increase in working hours from 48 to 54 weekly was also a factor.

Most New England mills affected by the strike have continued open, but many have curtailed operations. Antipicketing injunctions have been obtained by many manufacturers.

Mr. KING. I have with great care gone through United States Department of Labor Bulletin 265 and assembled the various classes of employees in a large number of the industries, together with the wages paid. The statement is so voluminous, comprising 33 pages of typewritten matter, that I shall not ask to place it in the Record, but I will state generally that the wages paid in the textile mills, as shown by this record, are less than the wages paid in other industries, protected or nonprotected.

I regret having consumed so much time this morning, but I felt, in view of the attitude of the able Senator from Connecticut and the able Senator from New York, that it was only proper that I should present to the Senate facts which would support the contentions which I made and the statement made by Mr. O'Meara in his letter, which was placed in the Record.

A review of the situation in the State of Connecticut brings into the picture the great contrast in the condition of the people. On the one hand we have great factories and the palaces of the manufacturers, which rise like the castles of the feudal barons as a reflection of the number of their retainers and serfs. And on the other hand we have the thousands of repressed men, women, and children whose toil yields daily tribute to the wealth and profits of their masters, but who themselves live in want and penury, in tenements which can not be denominated by the name of homes, but which exist in the shadow of the mills and palaces of Connecticut, but do not reflect any of the glory or prosperity which Connecticut manufacturers take unto themselves from the labor of these poor people. On the one hand there are 280 millionaires, whose plants and factories represent an investment of \$1,343,900,000, and on the other hand there are these 340,404 men and women who in 1919 toiled at an average wage of \$3 per day, which since that time has been decreased, with an accentuation of the poverty which seems to be the common inheritance of those who labor in the protected industries of Connecticut. Protection for profits and protection for poverty and protection for the process which produces profits and poverty are constant concomitants in the progress of the policies for which the Republican Party stands and which have received their consummate expression in the iniquitous provisions of the pending tariff bill.

Mr. McLEAN. Mr. President, I was not here when the Senator from Utah began to read the information which I understand is embodied in a report prepared some years ago with regard to conditions in certain localities of the State of Connecticut. For that reason I am not able to reply, and, probably, if I had been present I could not have replied, since the information referred to matters about which I have no personal knowledge. The conditions to which he refers might have been caused by the Underwood bill.

I have no desire now to occupy the time of the Senate in replying to the Senator's position on the tariff question. In so far as the effect of protective-tariff duties upon the wages of men and women employed in the manufacturing industries in this country is concerned, I will let the representatives of the American Federation of Labor speak for themselves. Everyone who has kept track of the hearings before the Finance Committee and the discussion of this subject generally since the tariff bill was brought up knows that representatives of the American Federation of Labor have frequently expressed their views upon this subject, and all in favor of protection. I have here a statement published in May last, signed by Mr. I. N. Ornburn, secretary of the Connecticut State Federation of Labor, and others. I ask to have this statement printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From the Labor News, New Haven, Conn., Friday, May 5, 1922.]

**PRINTING TRADES PROTEST CHEAP FOREIGN PRINTING—"PATRIOTIC" AMERICAN FIRMS HELPING CRIPPLE INDUSTRY HERE BY PURCHASES ABROAD.**

The printing tradesmen of America, many thousands of whom have been idle for months, will soon have an opportunity of returning to their trade if the promise made by Hon. Elmer Dover, Assistant Secretary of the Treasury, to representatives of the organized printing trades is fulfilled.

Early last fall an investigation on the part of the New York State Allied Printing Trades Council, headed by its president, Peter J. Brady, assisted by Stephen G. Kelly, secretary of the Allied Printing Trades Council of Greater New York; Walter N. Reddick, president, and Felix J. Belair, secretary of the International Brotherhood of Bookbinders, disclosed the fact that during the year 1920 there was an increase of more than 400 per cent in the imports of printed matter. It was also learned that some "patriotic" American employers were placing their printing orders with representatives of foreign printing concerns because of the low quotations, quotations so low, in fact, that many of the "rat" shops of our own country could not even compete.

The names of many of these "patriotic" American concerns, who are looking to the workers of this country for their support and patronage, and consequent profits, will soon be compiled and made public and we hope that our workers and those of our employers who believe in "America first" will bear this fact in mind when placing their orders for merchandise by the concerns we refer to.

The House Ways and Means Committee, the House of Representatives, and the Senate Finance Committee answered the request of labor and placed a small additional duty on the imports of printed matter from foreign countries. The additional duties, however, are small.

These duties, if the recommendations of the Senate Finance Committee are adopted, will be based on the foreign value of these imports. Such a law at this time will give us but little relief.

The books, booklets, post cards, cigar labels, circulars, and other printed matter which Americans are asked to purchase with American money are sold on value in America. Why not place reasonable import tax on these goods on their value in America?

American labor has spent thousands of dollars during the last two years preparing material for Congress and for the President showing why, if American labor is to obtain employment, the imports which compete with our labor should be taxed on the value of the imports in this country.

We may succeed in getting this through, but at the present time it seems as though the international bankers and other financial interests, many of them holding fortunes in the depleted currencies of central European countries, will be able to defeat the wishes of real Americans.

At the present time it looks as though months may pass before any definite action is taken on the tariff bill.

It was because of this fact that representatives of the printing trades, headed by Matthew Woll, called upon Hon. Elmer Dover, Assistant Secretary of the Treasury in charge of customs, and asked that he issue a ruling that hereafter all goods printed in foreign countries imported for sale in our country, have the name of the country where made printed in a conspicuous place. They also asked that the Treasury Department make an investigation of the imports of printed matter, the prices at which the imports were valued, and the prices which the importers and bankers receive when they dispose of these goods in America.

We have reason to believe that some of these goods are offered for sale in Europe at prices which are less than the cost of material in America. Of course, this is possible at the present time on account of the depreciated value of the currency of some of the European countries.

We at least ought to have the privilege of knowing where the goods we purchase were made and then it is up to our own people, if they prefer to patronize the goods printed in countries other than America. We may soon be able to list some of those who are Americans when it is profitable to be so and anti-Americans when they profit themselves even by so doing they help to impoverish the workers of America.

The delegation which called upon Hon. Elmer Dover consisted of Matthew Woll, president of the International Printing Trades Associations and vice president of the American Federation of Labor; I. M. Ornburn, secretary of the Connecticut State Federation of Labor; Walter N. Reddick, president of the International Brotherhood of Bookbinders; Daniel J. Ahearn, president of the Allied Printing Trades Council of Greater New York; and Edward F. McGrady, legislative representative of the American Federation of Labor.

Mr. McLEAN. I also have a very brief statement prepared by Mr. William A. Nealey, president of the Massachusetts State branch of the American Federation of Labor, in which he discusses the necessity of adequate protection for American employees, and the unfortunate results which will come unless they are given adequate protection. I ask to have that printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

**LABOR'S OBJECTION TO FREE TRADE—OPPOSED TO THE REMOVAL OF ECONOMIC BARRIERS AND INSISTS UPON INDUSTRIAL PREPAREDNESS.**

(By William A. Nealey, president of the Massachusetts State branch of the American Federation of Labor.)

After the war had been in progress about a year British labor realized the handicap that free trade had been to England. High protection had enabled Germany to overcome England's lead in many industries and to threaten the existence of trades necessary to the maintenance of Great Britain's prestige in war or peace. Imports from Germany, prior to the war, were flooding the British markets and Germany had overcome England's lead in the steel industry and had surpassed England in the vitally important industry of dye and chemical manufacturing. England's agriculture had declined under free trade and Great Britain was dependent upon other countries for its food supplies. This weakness on England's part was the underlying reason of Germany's submarine campaign. If enough British ships could be sunk the food supplies would be cut off and England would be starved to death.

British labor was the first to see the danger of the situation, and at a great meeting of labor representatives declared in favor of the adoption of a protective tariff policy by a vote of 2,500,000 labor unionists. At Ford Hall, Boston, on Sunday evening, October 20, Arthur Gleason explained the after-war program of British labor, and one of the chief elements of that program was a high tariff.

England can no longer be called a free-trade country. In fact, England never was wholly a free-trade nation. It had free trade in food supplies, and it soon fell into a position where it could not feed its people. It had free trade in certain manufactured goods, and soon found its market overrun by goods "made in Germany." But it never abolished protection for its shipping. It built the greatest navy in the world to protect its merchant marine and paid enormous subsidies to its steamship lines to keep the flag of England on every sea. It was England's enormous navy and its protected merchant marine that saved the British Empire from collapse.

British labor was wise enough to see the significance of this. It was keen enough to interpret the weakness due to free trade and the strength that resulted from protection; and so it demanded protection for the industries of England, as well as for the shipping of England. Great Britain will be a protective-tariff nation as long as Englishmen remember the lessons of this war. And it will be a long time before they will forget them.

While this was going on in England, American labor was not asleep. Many of us saw that we were unprepared in a military sense when we entered this war. We had only a small Army and a Navy of 50,000 or 60,000 men. It was not that Army or Navy that Germany feared. It was the great body of American labor, trained, skillful, and intelligent that would, after a short period of training, make the best soldiers and sailors in the world, and it was the great industries of the United States, built up by over a hundred years of protection, that Germany knew we could depend upon to supply our soldiers and sailors with the supplies and equipment of war. American labor knew what these industries meant to us in the prosecution of the war, and what they would mean to us when peace was restored. We were determined that these industries should not perish and at our convention in Buffalo, in November, 1917, attended by the delegates of the American Federation of Labor, we declared—

"That this convention go on record in favor of a policy of industrial preparedness and the enactment of laws by Congress that will adequately protect all wage earners of our country against the loss of employment through any industrial invasion on the part of the products of any of the other nations."

I appeal to you if that is not the American spirit? I appeal to you if that is not the voice of the American people?

We do not propose to fight for the liberty of the world and lose our own right to life, liberty, and the pursuit of happiness. We are not going to safeguard the independence of other nations and lose our own industrial independence. We are not going to lick Germany on those bloody fields of France and Belgium and then let Germany loot our markets. We are not going to send our sons across the sea to conquer the brutal Hun and then make Germany the master of our trade and commerce.

But, my friends, that is just what is going to happen if we do not prepare for our industrial defense.

There are candidates in this State running for high office who voted for the Underwood tariff bill that reduced our tariff protection so low that Germany and all the other countries began to flood our markets with their goods. When Woodrow Wilson signed the Underwood tariff he rose and expressed great satisfaction with the provisions of that law. "The feeling that I have," he said, "is that we have done the rank and file of the country a great service." Mr. Underwood, one of the foremost leaders of the Democratic Party and at that time chairman of the Ways and Means Committee, said: "I am absolutely confident that this law will reduce the cost of living in the United States, and it will provide ample revenue for the Government." It reduced the employment of American labor, but it did not reduce the cost of living, and the revenue obtained from the tariff was cut down many millions. That tariff law, which was signed with so much satisfaction in the White House, led straight to the bread line and the soup houses and to the army of unemployed, in which from four to five millions of "the rank and file of the country" were soon enrolled. That was a draft law in which there was no patriotism and no element of public service. The soldiers in that army were not clothed in khaki; they were clothed in rags. There were no honors and promotion; there was only the pitiful and profitless search for work. The Red Cross was not organized for comfort and for aid, but there were volunteer organizations of relief in all our cities. The National Government did not come to your rescue, but State, city, and private charity was called upon to save the unemployed from starvation. There were no barracks nor cantonments built for the army of the unemployed, but they found shelter from the storms of winter in wharves, warehouses, and police stations.

An official canvass in Philadelphia showed 200,000 men unemployed. Labor organizations in New York City estimated that 472,000 men and women were either out of work or on part time. In Chicago there were 190,000 out of work. In New England the mills were forced to close and thousands walked the streets in idleness. In New York emergency workshops were opened and thousands flocked to them, eager to work for 50 cents and 60 cents a day, while thousands were

turned away. In Lawrence the city government appropriated \$35,000 to relieve the distress of the unemployed. In Lynn the great factories of that city were working on part time or closed entirely. In a small western city the officials, under the stress of the critical unemployment there, arranged to put a rock crusher into operation. It could employ only 25, but 1,000 applied for work.

Cincinnati, Philadelphia, Pittsburgh, Boston, Providence, and a long list of other cities made appropriations to provide work for the unemployed. Massachusetts, true to her traditions, acted in a practical way. She appropriated \$100,000 and work was provided through the forestry department. But the national administration, whose leader had signed the Underwood law with so much confidence and satisfaction, met the appeal for a program of employment exchanges, public works, and loans with an order that a census be taken to prove the need, and then refused an appropriation of \$10,000 to have the census made. The Federal Government did make one contribution toward relieving the distress. It opened the immigration buildings on Ellis Island as a shelter to homeless men and permitted the use of Government blankets, cots, and floors for the housing of 800 men each day. Five million men were out of work and the President opened Ellis Island to accommodate 800 of them. Was that rendering much of a service to "the rank and file of the country"?

The Democratic tariff policy is the greatest menace that there is to the workingmen of this country. Men who voted for the Democratic tariff of disaster and distress are asking you to vote to return them to Congress. If you have the interests of American labor at heart, you will vote to have them remain at home.

Free trade closes our factories, multiplies failures, and produces unemployment. A protective tariff opens the idle factories and provides work and a pay envelope for American labor. You can not give away the American market and keep the workingmen of the country employed. You can not abolish a protective tariff and keep our industries or our labor prosperous. You can not import the articles which supply the needs of our people and at the same time provide our people with work. When you send our orders for goods to the mills of Europe you empty the mills of the United States. When you give employment to European labor you drive our workingmen to the street.

It was only when the war stopped the importation of foreign goods that business began to pick up in this country. It was only because the workingmen of Europe were called from their workshops to mobilize great armies that our workingmen got a chance to go back to work. The Underwood law brought loss and unemployment. The war brought work and high wages.

But, thank God, the brave boys of the American Army, recruited from our farms and our workshops, will soon bring this war to an end and force Germany to an unconditional surrender. But if the free traders still control our Congress the Underwood tariff law, or one even worse, will remain in force and the agony and distress of 1914 will return.

President Wilson demands, as one of the conditions of peace, the "removal of all economic barriers." That, gentlemen, means free trade; and free trade means unemployment, bread lines, and starvation.

The only way to prevent "the removal of all economic barriers" is for American labor to insist on its right to the American market and safeguard that market by a protective tariff. To do this you must elect protectionists to the House and to the Senate; you must elect men who will vote for protection to American labor.

#### ADMINISTRATION BY COLLECTIVE AUTHORITY.

Mr. KING. Mr. President, various matters have been placed in the RECORD by Senators bearing upon the Smith-Towner bill. If that had not been done by the proponents of the measure I should not ask the indulgence of the Senate to have placed in the RECORD a number of editorials and extracts from publications which I have here.

I ask unanimous consent to have printed in the RECORD, in 8-point type, a part of the report of President Butler, of Columbia University. It appears on pages 20, 21, 22, and 23 of his annual report as president for the year 1921. It is an able discussion of the functions of the State and of the evils of the academic wit once defined good administration as the doing uniformity craze which seems to have permeated the land.

There being no objection, the matter referred to was ordered to be printed in the RECORD, in 8-point type, as follows:

"One of the most noteworthy of recent developments in American life is the zeal with which machinery is designed and built ostensibly to serve various public interests and undertakings, but in reality to control them. Perhaps in no other way is the decline of faith in liberty so clearly marked. An extremely well of that which should not be done at all. If this clever phrase is to be applied to public administration, it would have to be altered so as to read, the doing ill of that which should not be done at all, for public administration—administration by collective authority—is almost uniformly inefficient, and for an obvious reason. In such case artificial choice takes the place of natural selection in the designation of agents, and since nature is wiser than man, particularly political man, efficiency at once declines. In the United States we are, in flat defiance of all our proclaimed principles and ideals, building a series of bureaucracies that will put to shame the best efforts of the Government of the Czar of all the Russias when in the heyday of its glory. We are surrounded by agents, special agents, inspectors, and spies, and the people are called upon to support through their taxes, in harmful and un-American activities, whole armies of individuals who should be engaged in productive industry. When anything appears to go wrong, or when any desirable movement seems to lag, a cry goes up for the

creation of some new board or commission, and for an appropriation of public funds to maintain it in reasonable comfort. An infinite number of blank forms must be filled and an infinite number of records must be kept, classified, and audited at steadily mounting cost.

"For a long time the excellent limitations of the American form of Federal Government held these movements in check, so far as the National Government itself was concerned. When, however, the ingenious discovery was made that the National Government might aid the States to do what lay within their province but was denied to the National Government itself, the door was opened to a host of schemes. These have followed each other in rapid succession, all urged with a certain amount of plausibility and with an appeal to kindly sentiment, usually supported by vigorous propaganda and zealous paid agents.

"So far as education is concerned, there has been overorganization for a long time past. Too many persons are engaged in supervising, in inspecting, and in recording the work of other persons. There is too much machinery and, in consequence, a steady temptation to lay more stress upon the form of education than upon its content. Statistics displace scholarships. There are, in addition, too many laws and too precise laws and not enough opportunity for those mistakes and failures, due to individual initiative and experiment, which are the foundation for great and lasting success.

"It is now proposed to bureaucratize and to bring into uniformity the educational system of the whole United States, while making the most solemn assurance that nothing of the kind is intended. The glory and the successes of education in the United States are due to its freedom, to its unevenness, to its reflection of the needs and ambitions and capacities of local communities, and to its being kept in close and constant touch with the people themselves. There is not money enough in the United States, even if every dollar of it were expended on education, to produce by Federal authority or through what is naively called cooperation between the Federal Government and the several States, educational results that would be at all comparable with those that have already been reached under the free and natural system that has grown up among us. If tax-supported education be first encouraged and inspected and then little by little completely controlled by central authority, European experience shows precisely what will happen. In so far as the schools of France are controlled from the ministry of education, in Paris, they tend to harden into uniform machines, and it is only when freedom is given to different types of school or to different localities that any real progress is made. Anything worse than the system which has prevailed in Prussia would be difficult to imagine. It is universally acknowledged that the unhappy decline in German university freedom and effectiveness and the equally unhappy subjection of the educated classes to the dictates of the political and military ruling groups were the direct result of the highly centralized and efficient control from Berlin of the nation's schools and universities. For Americans now to accept oversight and direction of their tax-supported schools and colleges from Washington would mean that they had failed to learn one of the plainest and most weighty lessons of the war. It is true that education is a national problem and a national responsibility; it is also true that it has been characteristic of the American people to solve their most difficult national problems and to bear their heaviest national responsibilities through their own action in the field of liberty rather than through the agency of organized Government. Once more to tap the Federal Treasury under the guise of aiding the States and once more to establish an army of bureaucrats in Washington and another army of inspectors roaming at large throughout the land will not only fail to accomplish any permanent improvement in the education of our people, but it will assist in effecting so great a revolution in our American form of government as one day to endanger its perpetuity.

"Illiteracy will not be sensibly diminished, if at all, by Federal appropriations, nor will the physical health of the people be thereby improved. The major portion of any appropriation that may be made will certainly be swallowed up in meeting the cost of doing ill that which should not be done at all. The true path of advance in education is to be found in the direction of keeping the people's schools closely in touch with the people themselves. Bureaucrats and experts will speedily take the life out of even the best schools and reduce them to dried and mounted specimens of pedagogic fatuity. Unless the school is both the work and the pride of the community which it serves, it is nothing. A school system that grows naturally in response to the needs and ambitions of a hundred thousand different localities will be a better school system than any which can be imposed upon those localities by the aid of grants of public money from the Federal Treasury, accompanied by Fed-

eral regulations, Federal inspections, Federal reports, and Federal uniformities.

"It is fortunate that Columbia University, a public institution, was founded and is supported by the State in the field of liberty, and that it is free to carry on its work beyond the reach of the deadening hand of Government."

#### EXPENDITURES OF STATE SCHOOL SYSTEMS.

Mr. KING. Mr. President, I have here a statement from the Bureau of Education showing the amount of money expended by the various States for education during the year 1920. It is a very illuminating tabulation and emphasizes the fact, which everyone knows, that the States are expending very large amounts annually for public-school purposes. I ask unanimous consent that the table may be printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

Expenditures of State school systems, 1920.

States.	Total expenditures (not including debt service).	Outlays—new buildings, sites, and new equipment.	Payments for textbooks.	Salaries for teachers, principals, and supervisors in day schools.
Alabama.....	\$9,118,691	\$1,399,328	\$19,471	\$6,092,240
Arizona.....	6,339,288	1,502,089	84,709	2,551,290
Arkansas.....	7,705,621	1,716,545		5,216,575
California.....	48,980,298	9,780,466	309,988	27,283,920
Colorado.....	13,200,155	2,419,413	(1)	6,879,681
Connecticut.....	16,318,420	2,345,022	197,269	9,051,753
Delaware.....	1,676,503	130,316	51,638	996,487
District of Columbia.....	4,297,894	292,584	40,567	2,869,165
Florida.....	7,080,933	1,037,983	13,120	3,447,238
Georgia.....	9,076,453	707,132		6,932,336
Idaho.....	8,591,942	2,006,200	145,138	3,793,232
Illinois.....	69,358,022	10,308,438	(2)	39,575,327
Indiana.....	35,764,748	7,000,000		19,330,624
Iowa.....	37,334,167	4,832,702	233,990	20,219,013
Kansas.....	26,257,009	3,744,700	(3)	12,991,832
Kentucky.....	8,117,074	885,533	3,524	5,512,033
Louisiana.....	11,366,934	2,207,539		6,697,393
Maine.....	6,403,673	426,373	258,198	3,457,595
Maryland.....	8,242,396	473,949	185,241	6,022,565
Massachusetts.....	40,908,940	2,929,473	593,751	25,947,792
Michigan.....	47,683,737	9,853,175		23,443,981
Minnesota.....	35,734,096	7,315,142		17,257,412
Mississippi.....	5,474,795	1,000,000		3,482,855
Missouri.....	28,707,190	5,783,431		16,831,754
Montana.....	12,207,631	2,077,505	274,245	6,053,638
Nebraska.....	20,580,089	2,821,186	809,390	10,907,631
Nevada.....	1,385,850	182,456	24,490	804,573
New Hampshire.....	3,810,609	182,501	81,003	2,099,888
New Jersey.....	40,909,827	5,489,319	543,198	22,779,519
New Mexico.....	4,139,597	559,883		2,211,190
New York.....	106,045,319	9,617,590	387,878	70,843,465
North Carolina.....	12,147,835	2,340,000		7,935,544
North Dakota.....	12,883,443	1,800,000	158,883	6,238,155
Ohio.....	67,426,741	10,566,326	736,345	35,342,949
Oklahoma.....	22,906,219	4,540,134		12,383,855
Oregon.....	9,997,892	1,922,218		6,709,432
Pennsylvania.....	70,410,207	7,949,063	1,527,540	40,960,835
Rhode Island.....	4,766,333	221,114	(2)	2,988,888
South Carolina.....	6,627,017	1,157,492		4,499,516
South Dakota.....	11,592,895	2,068,330	334,905	5,450,483
Tennessee.....	16,141,374	1,694,853	20,249	6,557,966
Texas.....	33,036,210	5,268,384	3,273,635	17,889,653
Utah.....	8,239,529	1,989,305	74,213	3,903,893
Vermont.....	3,588,068	80,441	55,853	1,894,192
Virginia.....	12,978,089	2,778,943	33,502	7,880,882
Washington.....	20,595,380	1,035,452	829,723	12,787,600
West Virginia.....	11,402,488	1,405,534	55,981	7,334,617
Wisconsin.....	27,255,056	4,606,829	341,992	15,472,700
Wyoming.....	3,741,793	589,740	85,835	2,126,927
United States.....	1,033,070,682	153,542,852	11,785,495	589,819,899
Outlying possessions:				
Alaska.....	343,822	14,000	4,000	233,200
Canal Zone.....	180,391	5,489	7,044	131,125
Hawaii.....	2,536,924	668,172		1,575,820
Philippine Islands.....				
Porto Rico.....	2,959,245	199,901	52,011	2,036,512

<sup>1</sup> Included with operation expenses.

<sup>2</sup> Included with supplies.

<sup>3</sup> Estimated.

<sup>4</sup> Included with expenditures for compulsory attendance and school census.

<sup>5</sup> Figures for 1919.

<sup>6</sup> Figures for 1918.

Mr. KING. Mr. President, I have here several editorials from the Boston Herald, the Boston Transcript, and the Springfield Union relating to the Federal control of education and cognate questions. I ask that they may likewise be printed in the Record.

There being no objection, the matter referred to was ordered to be printed in the Record as follows:

[From the Boston Herald, July 2, 1922.]

#### NO POLITICS, NO SECT IN THE PUBLIC SCHOOLS.

The National Education Association, which honors Boston this week with its presence, has it in its power to be a national benefice. It also has it in its power to be a national peril. It can be of tremendous

service to the future of the United States if it continues to devote itself to the discussion of methods for the educational development of American youth along broad and liberal lines. It can be a destructive influence to American ideals if it yields to the persuasive arguments of the propaganda so active already around Boston meeting places looking toward the centralization in Washington of all educational activities.

Should the National Association for any reason either adopt resolutions favoring the Towner-Sterling education bill, or send out from Boston its members poisoned with the virus of socialism and bureaucracy emanating from that bill and proposed legislation of similar purport, it will have done a wrong to the cause of real education from which perhaps there will never be recovery. More than that, it will have stirred into virulent activity all the sectarian animosities which follow invariably upon attempts to control by government the character of teaching in American schools.

Should the Towner-Sterling bill become a law and should it be accepted by the States, it would be a deadly blow at the Federal Constitution. It would be another step toward the subordination of the governments of the States to the activities of partisan and sectarian bureaus located at the Federal Capital, where they can not be in close touch with conditions in local communities. It will be a step toward tyranny through socialism—a long step toward the disintegration of our federated Republic.

The Sheppard-Towner bill was a baneful thing. Massachusetts has refused to accept the bribe offered by Congress as a price for subordinating its own State freedom to the dictates of a Federal bureau. It was probably unconstitutional. Its constitutionality will have to be decided by the Supreme Court. It is probable also that the Towner-Sterling bill is unconstitutional. That question also must come before the Supreme Court before the bill can go into effect, even should it be passed by Congress.

We earnestly hope that the National Education Association will serve notice on the Towner-Sterling propagandists, as well as on all other propagandists, that they are not wanted in the association's meetings. The teachers of the United States owe it to the people of the United States, whose children will some time determine the destiny of the United States, to make sure that insidious doctrine fatal to the perpetuation of our Federal form of government shall not be inculcated through any agency of theirs.

The Towner-Sterling bill will poison education with politics and sectarianism. Our schools must be kept free of both.

[From the Boston Herald, July 6, 1922.]

#### WHY WE OPPOSE FEDERAL CONTROL OF EDUCATION.

The Herald commends to every delegate in attendance upon the sessions of the National Education Association a careful perusal of the Faneuil Hall address on the Fourth of July by Mr. Jeremiah E. Burke, superintendent of Boston public schools. It was peculiarly appropriate that he should have spoken as he did on that day in that place. He showed himself to be a sentinel of the Republic, just as every school teacher now in Boston should consider himself or herself a sentinel of the Republic, guarding constantly against the perils which lurk in the attempt to centralize in Washington, through schemes for Federal aid, all educational activities.

"Prussian militarists," said Mr. Burke, "disregarded the lessons of Alexander, Hannibal, Caesar, and Napoleon. They would establish an absolute State. Bismarck proclaimed that the schoolmaster was abroad in the land, but the schoolmaster was not free. He was an officer of the State, obedient to the State, compelled to do the bidding of the State. What he should teach and how he should teach was prescribed by the State. All the agencies within the State became subservient to the military clique. Government existed for the favored few. In 50 years the thought of the people was distorted and malformed in conformity with despotic theories. The State was apotheosized. The German people came to associate the Kaiser with Deity; they were led to believe that militarism was a blessing, that the hands of all the world were raised against them, and that Germany was justified on patriotic grounds in committing outrageous acts of sacrilege and brutality. All of this willful perversion of a people mentally and morally was manifestly the result of a system of false education."

These are words which every American should take to heart. The Towner educational bills under consideration, however modified, propose to bring within the scope of the Federal Government all educational activities through the allotment of great appropriations for Federal aid to States; however innocent they may seem in purpose, however progressive they may look to those who advocate them, however modified they may be in the process of transition through the legislative body, they contain within themselves the germ of supreme governmental control just as truly as the system which in 50 years lured Germany into a condition where her entire people were convinced that the welfare of the world depended on the universal acceptance of Prussian ideals. There is no such thing as compromise or middle ground. Either the individual States must determine their own educational methods or the Federal Government must control the States—the two systems can not be combined. When the States begin to look to Washington for funds with which to stimulate their public schools they will inevitably look to Washington for guidance as to how those funds shall be expended. Even though a bill which might be adopted tomorrow should in words prohibit "Federal control," there is nothing in the system which the Towner-Sterling bill inaugurates to prevent the growth of bureaucratic despotism later.

The Herald has been criticized for saying that the Towner-Sterling bill leads to sectarianism. There is nothing in the bill to indicate that one sect or another would control the educational machinery of the United States, and yet if it were understood that the first head of the educational bureau established by the bill should be a communicant of any one of several churches which might be named, how many of those who now are crying for the passage of the bill would still support it?

We have been criticized for saying that this Federal interference or assistance—it makes no difference which word is used—would mean the injection of partisanship into public education. Does any advocate of the Towner-Sterling bill believe that a Republican administration would place any other than a Republican in charge of the educational bureau, with its limitless opportunities for political propaganda, or that any Democratic administration would place a Republican in such a post of partisan advantage? If the creation of such a bureau in Washington, with initial appropriation of \$50,000,000 to be distributed among the States in accordance with the preference of the

bureaucrats, does not incite to tyranny, then human nature has been transformed. Tyranny will be no less obnoxious because the tyrants have been multiplied.

We have been asked to specify how the enactment of such a measure as the Towner-Sterling bill would be a long step toward the disintegration of our federated Republic. If it is not a step toward the disintegration of the Republic through the concentration in Washington of an education propaganda, then there can be no reasonable excuse for the experiment. If the backward States feel that they need assistance in advancing the cause of education they will be generously aided by the friends of education in States like Massachusetts, which has always led in educational endeavor; but they must not expect the State of Massachusetts or any other forward-looking State to sacrifice her independence at the behest of socialistic theorists.

[From the Boston Transcript, July 8, 1922.]

#### MILLIONS FOR AID BUT NOT ONE CENT FOR BRIBERY.

With most of the arguments advanced against the Towner-Sterling bill to Europeanize our public school system, which brings it under the yoke of a Federal bureaucracy at Washington and expose it to the meddlesome influence of an international and for the most part imperial bureaucracy at Geneva, we heartily sympathize. An exception to this rule, however, is the argument based upon the fact that the bill would provide for the distribution among the poorer and less populous States of the Union public money raised by taxation in Massachusetts and the other richer and more populous States. This argument is based upon fact, but the argument is none the less an appeal to sectionalism in its most sordid form, an appeal to the belly of the State when the freedom of the State is at stake.

Millions of dollars raised by taxation in Massachusetts have been spent by the Federal Government in other parts of the Union to defray the cost of public improvements that were properly matters of Federal concern. The people of Massachusetts have never begrudged this expenditure whenever they could be shown that it benefited not merely the State where it was spent but the Union as a whole. Massachusetts has been contributing to the welfare and greater glory of the Nation in peace and in war, in blood and treasure, by toil and thrift and sacrifice, from the day the Nation was set up, and it will not be merely the privilege but the duty of the Commonwealth to continue cheerfully that practice as long as we remain a Nation and refuse to return to the status of a colony or to disintegrate into a "polyglot boarding house" or a picnic ground for hyphenates from far and near.

The objection to the Towner-Sterling bill on the score of expense, which will find sympathy and support not only on this page but among the plain people throughout Massachusetts, is to be found in the fact that money raised by taxation in Massachusetts would be offered by the Federal Government to the people of the smaller and less populous States of the Union in the form of a bribe and in return for the surrender of the birthright of the State, which under the Constitution is intrusted with safeguarding the freedom of education within its borders.

No State in the Union would willingly and without reward surrender the control of its public-school system to a Federal bureaucracy at Washington or expose its public-school system to alien meddling from Geneva. The only consideration which would tempt a State to make this surrender would be the offer of a bribe in the form of a liberal Federal subsidy of precisely the sort that the Towner-Sterling bill provides for. Caught between the upper millstone of such a temptation and the lower millstone of the rising cost of government everywhere, the poorer and less populous States of the Union might and probably would surrender their birthright in return for such a bribe. The State of Nevada, for example, having yielded to such a temptation and having accepted such a bribe, would then be in a condition where, if the Congress of the United States so decreed, a secretary of education from New England or the South could make of the public-school system of Nevada an educational experimental station for the remainder of the States of the Union, regardless of the effect of the experiment upon the youth of Nevada.

The people of Massachusetts in the past have, as we have said, gladly contributed from their earnings toward the development of the less wealthy States of the Union, and that will always be the generous spirit of the Commonwealth while it remains true to its traditions. But the people of Massachusetts never have contributed knowingly and willingly, and willingly and knowingly never will contribute one cent to be expended by the Federal Government anywhere in the United States in the form of a bribe to a State to surrender that part of its birthright which gives to each State absolute control of its public-school system. This feature of the Towner-Sterling bill has only to be understood by our electorate, as we believe, for the bill to receive the same repudiation at the hands of Massachusetts that the covenant for a League of Nations received in 1920 in the "great and solemn referendum" of that year. And then the elaborate scheme with a hyphenated name will go the way of "the evil thing with a holy name," so far as the American people are concerned. But American independence will remain and freedom in education and religion will thereby be safeguarded.

[From the Boston Transcript, July 7, 1922.]

#### BILL TO EUROPEANIZE OUR PUBLIC SCHOOLS.

"If the day should ever arrive (which God forbid) when the people of the different parts of our country should allow their local affairs to be administered from Washington—on that day the progressive political career of the American people will have come to an end, and the hopes that have been built upon it for the future happiness and prosperity of mankind will be wrecked forever.—(John Fiske, in 'A Critical Period of American History'.)"

Without debate, but not without a preliminary propaganda that might well make any alien agent envious of its efficacy, the National Education Association in national convention assembled has again indorsed the Towner-Sterling bill. A big fund is being raised by the proponents of this measure to pay the cost of the lobby that is trying to jam it through the Congress during a campaign year, while the jamming process is comparatively simple, and down the throats of the American people who will be taxed to pay the cost of this elaborate scheme with a hyphenated name.

What is the Towner-Sterling bill? It is a bill to Europeanize the educational system of the United States, to scrap the free school system of the several States and substitute in its place a Federal system of education, subsidized from Washington, regulated from Washington,

and all in imitation of the imperialistic methods of the Old World. The main provisions of the bill are two: The first provides for the creation by Congress of a Federal department of education to be headed by a secretary who shall be nominated by the President, with the advice and consent of the Senate, and shall be a member of the President's Cabinet. The second provides Federal aid in education in the form of a Federal subsidy to be taken out of the Federal Treasury and doled out among the States to be used in education as Congress may from time to time decree. These two main provisions are enough to condemn the measure in the eyes of true Americans who take the trouble to think the thing through, and in their hearts cherish the hope of making a contribution in their day and generation toward the conservation and enhancement of that "American character" at home and abroad which it was the dream of Washington to develop and the destiny of Lincoln to save and the glory of Roosevelt to incarnate in his life and work.

Any bill providing for the creation of an additional executive department at Washington and an additional member of the Cabinet is to that extent a bad bill and ought to be opposed by every taxpayer in the land. Experience has demonstrated that the number of executive departments and the size of the Cabinet should be reduced, not increased, and in the light of that experience a plan for the reorganization of the executive branch of the Government has been prepared and is now before the President, who will presently submit it to Congress as a basis for remedial legislation. Any bill that provides for further trespassing by the Federal Government upon the premises placed by the Constitution in the control of the several States is also bad and ought to be opposed by every taxpayer in the land. It is true that Federal control will hasten standardization of education, but what true American, believing in education and religious freedom, wishes to see a system of standardized education or standardized religion established in this country and controlled in Washington?

Our own Congressman JOHN JACOB ROGERS voices, we believe, the true sentiments of the plain people of Massachusetts when he declares his belief that "Massachusetts or California is a better judge of what her people should learn and use and in what schools they should learn it than any bureau or department chief can be." The late Franklin K. Lane, the able Secretary of the Interior of the last administration, put the argument against the Towner-Sterling bill in a single sentence when he said: "Federal control of schools would be a curse, because the inevitable effect of Federal control is to standardize." President Goodnow, of Johns Hopkins University, sees in this elaborate scheme with a hyphenated name "a most dangerous usurpation of power in Washington that will undermine the rights of the people." President Butler, of Columbia University, puts the case in language so plain that parents and pupils alike can understand the menace of this measure to our happiness as a people at home and our prestige as a nation abroad, when he warns the country that "once more to tap the Federal Treasury under the guise of aiding the State, and once more to establish an army of bureaucrats in Washington, and another army of inspectors roaming at large through the land, will not only fail to accomplish any permanent improvement in the education of our people but will assist in effecting so great a revolution in our form of government as to endanger one day its perpetuity." President Hadley, of Yale University, was in Berlin in the winter of 1907-8 and saw a great deal of the inside working of what was then the Imperial German Government; he noted that the degradation of German thought was largely due to the fact that through the establishment, first, of Berlin University and, second, of other centralized Prussian authorities, "the politicians had become able to throttle free thought." He regards the Towner-Sterling bill as "a long step in the Prussianizing of American education," and so will every other American when he examines the provisions of the bill in the light of "the plainest and most weighty lessons of the war."

But the lobby back of the Towner-Sterling bill would have the public believe that it does not provide for Federal control of public education but that the Federal Government will be willing to scatter millions of dollars from its Treasury broadcast through the several States and ask no questions as to the expenditure. If this were true, it would be taxation without representation—a tyranny more intolerable than the yoke that would be put upon the youth of America for the rest of the time by the Europeanizing of our public schools. Of course, it is not true; it is grotesquely untrue, for the reason that the Federal Government never has been and never will be willing to subsidize an enterprise without retaining the right to regulate the expenditure of the subsidy, and Federal regulation is only another name for Federal control.

It would be bad enough to scrap our American system of free schools in the several States and set up in its place a Federal department of education, whose control would immediately become a football of partisan politics, but the vision of the National Education Association and the lobby that is backing the Towner-Sterling bill is "a world vision." Already steps have been taken looking to the "internationalizing" of the association. If that is accomplished and this organization gains control of a Federal department of education, we shall soon see Federal control of our public-school system give way to international meddling, with a superdepartment of education set up at Geneva as an adjunct of the supergovernment provided for in the covenant of the League of Nations. Every teacher in the land drawing a subsidy under this elaborate scheme with a hyphenated name could then be mobilized in support of a drive to force the United States into full membership in "the evil thing with a holy name," as the late Senator Knox rightly called the League of Nations.

Massachusetts had the grit and the gumption to repudiate by the most overwhelming majority on record the covenant of the League of Nations, in spite of the favor which that war-breeding scheme of supergovernment found among many members of the National Education Association and in spite of the lobby that endeavored to jam that scheme through the United States Senate and down the throats of the American people. Massachusetts with equal grit and equal gumption, when her people are given the opportunity to pass upon it at the polls, will repudiate by an equally overwhelming majority the elaborate scheme with a hyphenated name provided for in the Towner-Sterling bill. Our electorate in this Commonwealth is sprung from many races, but the belief in our public-school system is as strong as the belief in the freedom of religion. Freedom in education and freedom in religion are twin liberties that are dear to the heart of every loyal citizen of the Commonwealth. Any attempt in any quarter to Europeanize our public schools and yoke them under a federated bureaucracy at Washington or an international bureaucracy in some European capital will be regarded, and rightly, by the people of Massachusetts as a challenge to our dual form of government, an assault upon American independence, and a direct attack not only upon the Constitution of the United States, which is the political corner stone of our national life, but also upon that "American char-

acter" which is the spiritual corner stone of our national life. And should not the people of Massachusetts have the opportunity to pass upon the Towner-Sterling bill? It can be done in the coming State campaign by requiring every candidate for public office to say whether he is for or against the attempt of the National Education Association to Europeanize our public schools.

[From the Springfield Union, July 6, 1922.]

#### THE SMITH-TOWNER BILL.

The proceedings of the convention of the National Education Association in Boston developed a difference of opinion as to the desirability of the Smith-Towner bill, now on the calendars of both Houses in Congress, which would establish a department of education on the same basis as other major departments of the Government and start it off with an appropriation of \$100,000,000, a portion of which would be used in the too popular 50-50 process of Federal aid. Mr. TOWNER, of Iowa, specializes in measures of this sort designed to bring under Federal supervision and control various State and local prerogatives, the temptation being a small Federal allowance to States appropriating a like amount.

When such a temptation is placed before educators of the land some of them inevitably succumb to it under the too easy assumption that it will tend to promote education, and in any case it suggests more money. Too little thought is given to the possible effect of Federal interference upon local education or State supervision of it, provided it had any effect at all.

A certain useful service to the cause of education may appear in the general surveys and statistics that the Federal Commissioner of Education now publishes for the benefit of educators in the various States, but we doubt if there is any agency of public welfare that should be so scrupulously left to the supervision and control of State and local authorities as public-school education. Fundamentally and in its most intimate details it must be left to local committees while general supervision and incidental support should be in the hands of the State government of which the local communities are the units. The process can not be stretched further with profit. It is claimed by TOWNER and other proponents of the bill that the rights of the States and communities will not be interfered with. Were this to be the case, what would be the use of creating an expensive Federal department of equal authority and position with other departments, with a secretary entitled to a place in the Cabinet equal to that of the Secretaries of departments actually in control of Federal service as delegated in the Constitution? Were it a proposition to inaugurate a system of purely Federal education for certain purposes or certain classes not within the jurisdiction of the several States such a proceeding might be proper enough.

But it is not that kind of proposition. As a matter of fact, it is a proposition to erect a Federal department for alleged educational purposes within the States and for people within the jurisdiction of the States. Such a proposition has no natural relation to departmental agencies that actually control the foreign affairs, finances, post offices, military and naval forces, public lands, and other functions of the Federal Government.

If, on the other hand, it is the purpose to interfere with the rights of States and local communities, the case is worse than it would be if the Federal Government inaugurated this large expenditure for no effective purpose whatever. It would probably be found that the \$100,000,000 would be multiplied as the Secretary of Education functioned and increased his requests or demands. In the nature of the case such a Federal officer would seek more and more authority and interfere more and more with the State and local management of schools, in so far as State authorities permitted it by accepting the allowance from the Federal appropriations.

As in other schemes of this kind, one of the ideas is to transfer money from certain States to others. The cost of education in Massachusetts as given by the last reports is \$36,614,623, or more than a third of the \$100,000,000 proposed as a start for the expenses of the Department of Education and the State allowances. At the best Massachusetts would receive but a relatively small amount out of the Federal appropriations as the price of its surrender of full control, while it would pay a considerable proportion of the money allowed other States.

From any point of view the principle of the measure is vicious and the best thing the members of the National Education Association can do for the cause of education is to declare against it and to continue to seek their general information and helps from such conferences as has been assembled in Boston.

Mr. KING. Mr. President, I have here a short letter from a distinguished lawyer of Tennessee, Mr. George N. Tillman, which I ask may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NASHVILLE, TENN., April 5, 1921.

Mrs. GEORGE A. WASHINGTON,  
Washington Hall, Tennessee.

DEAR Mrs. WASHINGTON: In response to your inquiry as to my position upon the Smith-Towner bill, I wish to say that I am decidedly opposed to it. It might be amended so as to make it acceptable, but I doubt it. It proposes an appropriation of \$100,000,000 annually for the purpose of maintaining a new department at Washington to encourage and assist the States in the promotion of education. It contains a provision that the management of public schools shall remain exclusively under the State control; but this provision is misleading, and if the bill should become a law I believe it would ultimately result in the department virtually controlling education in the States through compulsion that could be brought about by the command of large Federal appropriations. The bill itself clearly indicates that that would be the final outcome, for the receipt of allotments from the large Federal appropriations is made dependent not only upon equal appropriations by the State, but of conformity by the State with certain requirements embodied in the bill—for instance, the number of months to be taught, compulsory school attendance, and certain requirements looking toward the standardization of education. Another reason why I am opposed to the bill is that it is in the line of encouraging the people to look to Federal appropriations to relieve, as imagined, themselves of legitimate burdens. The further removed government is from the people the less responsible they feel therefore, and people have the idea that what they get out of the Federal Government is that much picked up without any corresponding burden

upon themselves. In my opinion, we need no such plan as that proposed in the bill. All we need at Washington is a bureau or department of investigation and research, whose main functions shall be to furnish information and stimulate the States to the highest exertion in educating all the children in accordance with the best standards, leaving it to each State to provide its own funds and manage exclusively its own system. I think it will prove a great misfortune to the country to continue augmenting bureaucracy at Washington, with all of its red tape and multiplication of offices.

Yours very truly,

GEORGE N. TILLMAN.

Mr. KING. Mr. President, I will conclude by asking that there likewise be printed in the RECORD a brief review of the Smith-Towner bill by one of the ablest and most distinguished members of the New York bar, Mr. William D. Guthrie.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

#### THE FEDERAL GOVERNMENT AND EDUCATION.

##### A REVIEW OF THE SMITH-TOWNER BILL.

[By William D. Guthrie, of the New York bar.]

In compliance with the request of many interested in the subject of education I have studied the provisions of the so-called Smith-Towner bill (S. 1017 and H. R. 7) entitled:

"A bill to create a department of education, to authorize appropriations for the conduct of said department, to authorize the appropriation of money to encourage the States in the promotion and support of education, and for other purposes."

I have also studied the report of the joint hearings before the Committee on Education and Labor of the Sixty-sixth Congress as well as a number of publications discussing the above-mentioned bill and the governmental policy that it seeks to introduce. The aspects of the subject which I have considered may be briefly summarized as follows:

1. Under the Constitution of the United States no power has been delegated to Congress to regulate or control education in the several States. That subject was left within the exclusive domain and governmental duty and responsibility of the several States, and Congress can not constitutionally seek directly or indirectly to regulate or control education in the States without violating the reserved rights of the States and the fundamental principle of local self-government.

2. The provisions of the Smith-Towner bill would, in my judgment, inevitably involve an attempt at interference in the local affairs of the States, and the policy of so-called federalization of education once established would lead to an agitation and demand for a constitutional amendment in order to vest in Congress adequate and effective power of centralized supervision and control.

3. Any such increase of Federal power and diminution of State authority, responsibility, and duty would be prejudicial to the best interests of the Nation and of the States.

4. The creation of a new executive department to be known as the department of education, with a secretary of education as the head thereof and as such a member of the President's Cabinet, would bring the subject of education into politics, with the danger of constantly varying educational policies and constantly pursued efforts to control the patronage of the department in the interest of the political party then in power.

5. The tendency of Federal interference and direct or indirect control would be toward the centralization and standardization of education, and such centralization and standardization would in all probability prove to be prejudicial not only to the public-school system but to the independent and satisfactory operation of existing private schools, including those maintained by various religious denominations for the purpose especially of securing to the younger children of the country the benefit of adequate religious training as well as secular education.

It is generally conceded that under the Constitution of the United States the subject and control of education are at present indisputably within the exclusive domain of the States, and, indeed, many of the advocates of Federal subsidies to the States insistently repudiate any intention of interfering with the control of the States. These advocates may sincerely believe, as I have no doubt they do, that the movement for Federal subsidies and interference can be permanently limited to financial and advisory aid, and can always be checked so as to prevent any infringement upon the constitutional rights of the States. But to accept this view would be to disregard all the lessons of practical experience.

If the States begin by accepting moderate grants of Federal funds as, for example, one enabling them to increase the salaries of their public-school teachers, and if, in order to secure Federal funds they conform to Federal standards, they will in time come to rely upon the Federal Government for larger and larger appropriations. This reliance will inevitably undermine their independence and sense of responsibility and destroy the incentive of local pride and interest in the subject of education, as well as engender a feeling that the burdens of local taxation and responsibility in connection with education could and should be shifted to the Federal Government at Washington.

Federal aid without any direct or practical control and Federal advice without any power of enforcement would undoubtedly prove unsatisfactory, and would inevitably create an agitation to render federalization actually effective and Federal advice or direction practically enforceable. If the country should be now persuaded to approve the appropriation by Congress of large sums of money merely "to encourage the States in the promotion and support of education," it would not be many years before it would be urged that Federal aid without control had been found to be unsatisfactory because of the lack of adequate power of enforcement, and, therefore, that full and effective authority should be secured by constitutional amendment.

As to the danger of standardization, what seems to me to be a fair and accurate forecast is contained in a pamphlet issued by the American Council on Education at Washington in connection with the proposed Smith-Towner bill, as follows:

"The power to establish standards would unquestionably be the most influential prerogative of a department of education. Under the Smith-Towner bill the department is implicitly given this power. Through its ability to withhold appropriations unless State plans meet with its approval, the department can establish minimum standards in some of the principal fields of educational effort. It is this implied power to coerce through shutting off supplies that constitutes in the minds of critics of the bill one of its principal dangers. Standards formulated in the serene seclusion of Washington may be imposed without debate

or appeal upon institutions in all parts of the United States. Nothing is more likely to foster bureaucratic tendencies."

And to this should be added the statement of the retiring Secretary of the Interior, Franklin K. Lane, in his final report to the President dated February 28, 1920, that "Federal control of schools would be a curse, because the inevitable effect of Federal control is to standardize," etc.

Interference by Congress in the matter of education would, as it seems to me, gravely imperil the future integrity, independence, and autonomy of the States. Nothing is more essential to the perpetuity of our present system of government than the Federal principle of Nation and State each supreme and independent within its allotted sphere and the preservation to the States of their right to local self-government and the actual practice of that right. Our Federal Constitution contemplates and assumes the continuance of the States as autonomous, independent, self-governing communities, and this is an inseparable incident to the republican form of dual government intended to be established by the founders of the Republic. Such a vital principle ought not to be in any way sacrificed by the States because of a temporary crisis or because of a desire for subsidies of Federal funds to meet the increased cost of education. The States should be jealous of their right to control a matter affecting them so vitally and should not experiment with Federal control, which under federalization would be centered in Washington and might readily develop into the tyranny and irresponsibility of bureaucratic government.

In the recent case in which the Supreme Court of the United States held unconstitutional and void the so-called child labor law of Congress, the opinion of the court by Mr. Justice Day, among other things, stated (247 U. S. 251, 275):

"The maintenance of the authority of the States over matters purely local is as essential to the preservation of our institutions as is the conservation of the supremacy of the Federal power in all matters entrusted to the Nation by the Federal Constitution.

"In interpreting the Constitution it must never be forgotten that the Nation is made up of States to which are entrusted the powers of local government. And to them and to the people the powers not expressly delegated to the National Government are reserved. (Lane County v. Oregon, 7 Wall. 71, 76.) The power of the States to regulate their purely internal affairs by such laws as seem wise to the local authority is inherent and has never been surrendered to the General Government."

And more than 50 years ago Mr. Chief Justice Chase, in the famous case of *Texas v. White* (7 Wall. 700, 725), used the following language:

"The perpetuity and indissolubility of the Union by no means implies the loss of distinct and individual existence or of the right of self-government by the States. \* \* \* Not only, therefore, can there be no loss of separate and independent autonomy to the States through their union under the Constitution, but it may be not unreasonably said that the preservation of the States and the maintenance of their governments are so much within the design and care of the Constitution as the preservation of the Union and the maintenance of the National Government. The Constitution, in all its provisions, looks to an indestructible Union, composed of indestructible States."

I have cited these two decisions of the Supreme Court in order to emphasize the fundamental and essential feature of the Federal and dual aspect of our national political system. In doing so I have not, of course, overlooked the recent decision of the Supreme Court in the *Prohibition* cases (253 U. S. 350), upholding the constitutionality of the eighteenth amendment. Whilst it is true that the eighteenth amendment, as interpreted by Congress and enforced by the Supreme Court, infringes upon the theretofore reserved powers of the States as to their local affairs, the court did not necessarily hold—it decided the cases without opinion—that the amendment was not violative of the spirit of the Constitution and the theretofore reserved powers of the States.

The undisclosed theory upon which the court upheld the amendment may have been, and probably was, that the question of the exercise in any particular case of the power of amendment under Article V of the Constitution was of a political nature and as such was not the subject of judicial cognizance, just as the court had previously held that the question of whether or not a State constitution provided a republican form of government, as guaranteed by another article of the Federal Constitution, was not a justiciable but a political question and was to be determined conclusively by the political branches of the Government. But it does not follow from this conclusion that an amendment substantially interfering with the right of local self-government is not, as such, in conflict with the fundamental spirit of the Constitution itself and with the theory and form of Federal government that it originally established.

This aspect of the subject is mentioned because the existence of practically unlimited power of amendment should warn all patriotic Americans, who believe in a Federal system constituted of "an indestructible Union composed of indestructible States," that the Supreme Court can not be looked to for redress and that the defense and preservation of the right to local self-government now lie wholly in the hands of the people, who, if they are not active and vigilant, may improvidently surrender or lose by default the most valuable of their political rights. In criticizing the eighteenth amendment and its inevitable tendency to beget other like amendments, Senator Thomas, of Colorado, in a learned and eloquent address delivered before the New York State Bar Association at its annual meeting last February, well said that "history warns us that the first step toward fundamental change leads inexorably to another, and yet another, until the great transformation is finally realized or violently prevented."

If the American people now permit the appropriation by Congress of \$100,000,000 of Federal funds annually in aid of education in the States, it will soon be realized that this sum is inadequate to produce any substantial results, and the next step will be to increase the appropriation. In a few years it will be appreciated that Federal interference, which they have been permitting and seeking indirectly to bring about, can after all only be accomplished effectively by a constitutional amendment. Accustomed by that time to the idea of Federal regulation, anxious as some of the poorer States will be to be relieved of the burden and responsibility of education, misled by the clamor of ardent or fanatical propagandists, and blind or indifferent to the great principle and duty of preserving to the States their right to local self-government, the proposed amendment might be brought about as easily and as speedily as the eighteenth amendment.

The most serious aspect of the situation is that the doctrine of the rule of the majority no longer necessarily controls upon the question of the amendment of the Federal Constitution. States representing a

minority of the citizenship of the Nation can amend the Constitution in any respect they see fit, and no matter how oppressive or how prejudicial may be any such amendment in its practical operation or enforcement, a very small minority can prevent its repeal although the best interests of the country at large may then demand such repeal. We have created so many new States that now, under the figures disclosed by the recent census, a group of 36 States could be combined which would represent only 45 per cent of the population, whilst 13 States would together have a total population of only 5 per cent of the whole. Stated in other words, the Constitution of the United States can now be amended by the votes of State legislatures representing a minority of the people of the United States, and State legislatures representing only 5 per cent of the people can prevent any repeal or change.

It is of paramount importance that the American people should clearly realize the fact that under the decision of the Supreme Court upholding the eighteenth amendment, there is, perhaps, no State function that can not be taken over by the Federal Government under the power to amend the Federal Constitution, and that the only protection lies in patriotic and vigilant public opinion. If these questions involving the perpetuity of local self-government and the right of each State to regulate education within its own borders be submitted to the people with adequate explanation and full discussion of the merits, the verdict will probably be a wise and just one. All parties and all religions are alike interested and concerned in preserving our institutions. The American spirit ought to lead to a sound, provident, and just conclusion. True Americans who understand the real issue, will never barter away the heritage of local self-government simply to secure a few millions of Federal funds in aid of education. Nor will they abdicate their duties and responsibilities to their children and the children of their neighbors. They will not vote, as I confidently believe, to transfer the education of their children, a matter of as vital concern to them as their religion, to a bureaucracy functioning in Washington and controlled, it may possibly be, by obscure and irresponsible politicians. I have no apprehension as to the result, if those who believe in our present form of republican government will unite and defend their right to local self-government and not allow this great and vital issue to go by default.

In studying the recent publications upon the subject of education, I have been profoundly impressed by the general and emphatic recognition on the part of Catholic, Protestant, and Jewish organizations that systematic religious training should be regarded as indispensable in the education of our children, and that many of those who are now attending the public schools are not receiving proper religious instruction. The most complete vindication of the Catholic doctrine as to the necessity of religious training for school children has recently come from the thirty-odd Protestant denominations which were united in what was called the "Interchurch World Movement of North America," and in support of which an exhaustive survey was published.

This publication apparently favored the enactment of the Smith-Towner bill, but, among other pertinent observations on education, it declared that "the survey shows how utterly inadequate are the religious agencies and forces at work," that "America's greatest peril lies in the spiritual neglect of childhood," that there are "27,000,000 Protestant children and youth under 25 years of age who are not enrolled in any Sunday school or other institution for religious training," and who are "without any definite or systematic training in religion," that this defect "constitutes the greatest peril in our national life," that "this is the seed plot of immorality, crime, social unrest, and anarchy," that "one-half hour a week of religious instruction is utterly inadequate," that "unless this fundamental need of religious education be met, the solution of the present situation is hopeless," that "a religious education should be the heritage of every child," that "spiritual illiteracy is the greatest peril of organized society," and "is the forerunner of moral bankruptcy and national decay," that "the church must find a way to reach the children and to account for them systematically from infancy to maturity," that "the national public-school system must be supplemented by a unified program of religious education which will guarantee the spiritual homogeneity of our democracy," and that "unless such a program of religious education can be created, there is great danger that a system of public schools will become nationalistic and materialistic in theory and practice, and the direction of social development will be determined by the secular state rather than by the spiritual forces represented by the church."

Similarly, the Jews are fully realizing that many of the existing schools have failed in the essential need of religious education. At the commencement exercises of the Jewish Theological Seminary of America and Teachers' Institute, held last spring, the distinguished chairman of the board of directors is reported to have stated that of the 300,000 Jewish children in the city of New York "not 15 per cent of them received the proper religious education," and to have characterized as shameful the manner in which religion was being neglected by the Jews in the training of their children.

In conclusion I venture to point out that the matter of the Smith-Towner bill now pending before Congress is urgent, and that its consideration can not be delayed. Many active and zealous propagandists are agitating for the nationalization of education under the provisions of this bill, and hundreds of organizations throughout the country are said to have endorsed it and to have urged its passage. Such a measure, if once passed, will, as it seems to me, become the opening wedge; it will probably be found to be inadequate; there will be constant reaching out for more and more power in the matter of education, and there will then be started a movement for a constitutional amendment so as to render Federal interference and control adequate and enable the proposed new Department of Education effectively to regulate and control education throughout the whole country. Beginning with the present proposed yearly appropriation of \$100,000,000, the tendency will, in my judgment, be irresistible to increase the appropriation, and then to insist that large Federal appropriations should be coupled with adequate Federal control. This in final analysis must spell the complete nationalization of education.

I am profoundly convinced that the tendency of the Smith-Towner bill, if enacted, would be distinctly prejudicial to the permanent and best interests of the Nation, as well as of the States, that the subject of education should be left within the exclusive control, responsibility, and duty of the several States under long-established and sound principles of local self-government, and that unless the present Federal centralizing tendencies be checked, our dual form of government can not long endure.

In this most critical period of our history every American is called upon, so far as lies in his power and to the utmost of his ability, to strive for a revival of reverence for American institutions as estab-

lished by the founders, and to inculcate, as the clear duty of National and State patriotism, a steadfast determination to resist the impairment or destruction of our Federal system.

NEW YORK, December 27, 1920.

WILLIAM D. GUTHRIE.

#### THE COTTON INDUSTRY.

Mr. SMITH. Mr. President, as we are discussing the two great commodities out of which the clothing of the world is made, I think it is an appropriate time to put into the RECORD an editorial which appears in one of my State papers, the News and Courier, of Charleston, S. C.

I do not believe the people of this country have even an approximation of the impending disaster, not only to America but to the world, in its supply of cotton. When it is taken into consideration that in the year 1921 there was practically the same acreage planted that there had been for perhaps the last 8 or 10 years and that our production dropped from the maximum, in 1914, of sixteen-odd million bales of cotton to 7,900,000 in 1921, it will be realized that that was not an accident of the seasons of cultivation; it was a result of the ravages of the pest to which I had reference yesterday when I called attention to white arsenic, out of which calcium arsenate is made.

I have never predicted the size of a cotton crop, but it is my opinion that the present crop will not very greatly exceed the crop of last year.

At the peak of the stress, in 1919, the American mills consumed of American cotton approximately 7,000,000 bales. Up until 1914 the exports of American cotton ranged from seven to ten million bales. The United Kingdom consumed around 4,000,000 bales of American cotton, Germany about 2,000,000, France about 1,000,000, the other European States taking up whatever balance there was, if any. The textile industry of England, which is her largest single investment, is dependent entirely, practically speaking, upon the supply of American cotton.

There has been no Government aid in any shape or form to the struggling people who have raised this wonderful fiber for the clothing of the nations. On the contrary, they have been the victims of every exploiting form of greed. They have been the victims of the fertilizer people, and when I say victims I mean they were helpless, and had to purchase fertilizer at the prices charged. They were the victims of the grocer, the dry-goods man, the speculator, and the buyer. Everything moving along the line of least resistance, the cotton raiser being the producer of one of the prime necessities of the human family, of course was an easy mark. We are busily engaged here to-day with the best brain of the country protecting those who convert the raw material into the finished article and are taking no concern or care of the source of the raw material which makes the manufacture of the finished article possible.

I predict that unless there be some relief found in the course of three or four years the South Atlantic States, as distinguished from the Gulf States, will cease entirely producing cotton. With the additional cost of from \$15 to \$20 an acre to fight this pest, with the ordinary cost for the artificial fertilization necessary and the enhanced price for labor, with the yield problematical as to whether it will be one-fourth of a crop or none at all, merchants can not afford to take a chance, the banker will not take a chance, and the laborer can not afford to take a chance.

These are the conditions that confront us. The rates of discount in our banks and the rates of primary discount are the same as though the crop was running along under normal conditions. In the States of North Carolina, South Carolina, and Georgia cotton is the medium of exchange.

I do not know what word I might say; I do not know if it is worth while to try to arouse the attention of the American people. If the sufferings of 15,000,000 to 20,000,000 people during the past two years can not reach them, my voice can not.

The editorial to which I desire to call attention corroborates what I have said and gives a very good picture of the conditions on the part of England, which is the leading nation of the earth outside of the United States in the conversion of cotton into the finished article, and her attempts to duplicate the supply from her own domain. Before reading the article, I ask permission to have such parts as I shall read printed in 8-point type.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMITH. I now read the editorial from the Charleston (S. C.) News and Courier of July 21, 1922:

#### FUTURE OF THE COTTON SUPPLY.

"The shareholders of the British Cotton Growing Association held their seventeenth annual meeting in Manchester on July 4, and Lord Derby, who presided, reviewed the work of the

association during the past year. Started with the purpose of developing, if possible, supplies of raw cotton within the British Empire, a new impulse has been given to the work of the association by reason of the lively fears now entertained by British spinners that the ravages of the boll weevil in America will soon result in a cotton famine which will leave a good percentage of Lancashire spindles idle.

"Satisfaction was expressed by Lord Derby with the accomplishments of the British Cotton Growing Association, the efforts of which, since the association began operations in 1903, had produced, he said, approximately 1,070,000 bales of cotton. Last year a crop of 165,100 bales was produced as compared with 105,800 bales in 1920. Much of this cotton appears to be of a most inferior quality. A good deal of it was produced last year at a loss to the association. In Nigeria the association had guaranteed the native grower a fixed price for his cotton. In the past 20,000 bales had been the largest crop produced in Nigeria, but in 1921 the association found itself with a crop of 31,000 bales dumped on its hands, involving an actual loss under the guaranty of about 113,000 pounds.

"In Uganda last year the crop amounted to over 81,300 bales and the growers experienced considerable difficulty in disposing of the cotton. Nyasaland produced a crop in 1921 of 4,637 bales, showing a disturbing variation in qualities, and the quality of the 2,000 bales produced in South Africa was also far from satisfactory. Political conditions have retarded progress in cotton growing in Mesopotamia, it was stated, and in Tanganyika, the late German colony of East Africa, 350 bales were ginned.

"The association is looking somewhat hopefully now to Australia. There, in Queensland, the association has guaranteed a selling price of 1 shilling 6 pence per pound for all first-class quality lint grown from approved types of long-staple seed, the guaranty to extend over a period of five years, with a maximum loss to the association of 10,000 pounds. Queensland produced last year 1,256 bales under this guaranty, and this season about 20,000 acres is understood to have been planted, from which a crop of approximately 8,000 bales is expected. Considerable difficulties will have to be overcome, however, to make cotton growing in Australia a success."

I have read this much to show that with all the resources of the United Kingdom, with the vast amount of her capital invested in cotton spinning, she has been unable to produce any cotton within her domain anywhere that will fulfill the qualities of the American cotton. Therefore, were the American cotton to fail, the British spindles would stop and the British Empire be bankrupt.

The editorial continues:

"In spite of large subsidies and other encouragements not very much headway would seem to have been made in discovering a region which is likely ever to rival the cotton-growing States of America as a cotton-producing country. Figures recently tabulated by the National City Bank of New York show that from 1881 to 1885 the United States produced 63.6 per cent of all the cotton grown throughout the world. Only in 1919 has the United States failed to produce 50 per cent or over of the total cotton grown, and in that year it produced 49.6 per cent. The world's cotton production has remained about stationary since 1906. The average between 1906 and 1910 was 20,956,000 bales. The largest crop produced since 1910 was in 1914, a world total of 26,022,000 bales, and the United States produced in that year 16,135,000 bales, or 62 per cent of the total.

"The fact is that with the ravages of the boll weevil unchecked the world is heading steadily toward a cotton famine, which would have arrived before now if it had not been for the war, which upset consumption. The Manufacturers' Record is absolutely right when it says that upon the South's ability to supply cotton 'rests the future of the textile industry and allied trades and the millions dependent on them.' The only way a cotton famine can be averted, if the boll weevil keeps up its destructive work, is to stabilize the price of cotton at a figure which will make it possible for the southern grower to maintain production in spite of the weevil."

I was anxious to reproduce this article from one of my home papers in corroboration of what I had said heretofore.

In conclusion I desire to say that the fluctuations of the market—right now at the present market level—are a fine illustration of the fact that the producers of cotton in the South are absolutely at the mercy of the prices dictated from abroad and at home.

Every man familiar with cotton growing in the South knows that at 40 or 50 cents a pound to-day there would scarcely be a profit in view of the amount produced. Yet the market is fluctuating around 21 or 22 cents a pound to-day, which will not

cover the actual cost of producing the cotton, to say nothing of showing a profit and meeting the necessary expense incurred in ordinary farming.

We are busy here piling up artificial legislation to take care of those who, by their resources and their organizations, can take care of themselves, and yet not one word spoken nor an hour spent in devising means to aid the great mass of the American people who are producing the raw material out of which these vast industries must find their possibility of existence. We have organized perhaps the finest commercial banking system in the world, and yet absolutely agricultural America is without a successful banking organization that will meet the particular needs of the poor devils in the field. Every man recognizes that we can not combine successfully the quick convertible assets necessary for commercial banking with the long-time turnover of agriculture, and yet we have left agriculture to be the victim of a system which can not extend him adequate financial assistance.

I am glad to say that there are organizing throughout the cotton-growing States cooperative selling agencies whereby the poor beleaguered producers of the raw material will combine their aggregate of 7,000,000 or 8,000,000 bales of cotton, finance it as best they may, and mutually combine in order to protect themselves; and yet that should not be necessary in a government such as ours. We ought long before this to have provided an ample banking arrangement to meet the necessities of the agricultural interests of the country, and amongst them the cotton grower. I believe that we are face to face as to the supply of raw material with the worst condition that the world ever saw. According to statistics furnished us by the department, we shall arrive at the 1st of August, according to their figures, with about 1,000,000 bales of carry-over from all the crops which preceded. If the crop this year should not exceed 9,000,000 bales, we will have a supply of American cotton of 10,000,000 bales, with the normal world consumption of from 14,000,000 to 15,000,000 bales.

Mr. DIAL. Of American cotton.

Mr. SMITH. Yes; of American cotton. The consequence will be that the spindles of this country and the spindles of Europe, or part of both, will have to lie idle until another crop is made; and yet in the face of that fact cotton is selling today at the rate for which it should sell were the conditions normal and the supply normal.

These are the facts which I desire to bring before the Senate at this time in order to show that the raw material out of which the manufacturers are to produce their goods is absolutely without help and selling at a price that is a disgrace to America, and yet we are busy ourselves, using all the force within our power, to accumulate and pile up the expenses upon the shoulders of those who are so defenseless and helpless.

Mr. DIAL. Mr. President, we read in history that during the days of the colonies they raised cotton as far north as New Jersey. In fact, history tells us the colonies in Pennsylvania raised enough to supply their local demands. The cultivation of cotton extended on down the coast. I have wondered often why it was that those people quit raising cotton in New Jersey, Pennsylvania, Maryland, and practically in Virginia. I presume it was because it was not profitable. If the present signs indicate anything, the practice of raising cotton will be discontinued more and more in the South.

While we are on the subject and for the information of the Senate, I wish to have printed in the Record as a part of my remarks a report of the National Agricultural Conference, held January 23-27 of this year, beginning on page 150 and running down to page 153 thereof.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. DIAL. I wish to take just a moment of the time of the Senate to call attention to a statement on page 152, where, after going into details of the cost of production of cotton, it is stated:

The balance of \$182.50 represents labor for the entire year for man, wife, and two children, which is 61 cents per day of 300 days. On a 365-day basis—

That includes Sundays also—

this gives a total revenue of 10 cents per day for each member of the tenant's family of four.

During the debates we have heard a great deal of the pauper labor of other countries. If that is not pauper pay it would be hard for me to understand what is. There is some very illuminating discussion in the report to which I have referred.

We are making efforts to improve the condition of the cotton grower. It is absolutely necessary to the existence of the production of this commodity that we arrive at some radical change. I am very much in hopes that during this session the

Members of the Senate will see the importance of some action and that we will pass some legislation along this line. I have a matter pending which I think goes to the vitals of the proposition. I shall ask of the Senate serious consideration of that proposition, which I think will do as much or more than any other one thing that could possibly be done to relieve the deplorable condition of this great industry.

#### APPENDIX.

#### REPORT OF SUBCOMMITTEE ON COSTS, PRICES, AND READJUSTMENTS IN THE COTTON BELT.

Owing to varying conditions in different parts of the Cotton Belt, and especially to factors of boll-weevil infestation, land fertility, and the use of fertilizers, the cost of production of cotton varies so tremendously that it is impossible to discuss it adequately in a brief committee report. Your committee, however, believes that it would be helpful to discuss some of the conditions found in cotton production at present in order that the Nation and world may understand the extent in which this industry is threatened by present conditions.

The crop of 1920 was made at a higher production cost than any previous crop and the prices received for it were admittedly far below the cost of production. The crop of 1921 was made at a somewhat lower production cost, but turned out only about two-thirds of a recent average production, and prices have again been much below the cost of production. Two years of such conditions have destroyed a large part of the capital invested in cotton production, have faced a large proportion of the landowners, merchants, and fertilizer companies with bankruptcy, and have left a large proportion of the banks in a position where, but for the support of the Federal reserve system, the War Finance Corporation, and other outside capital, they would be unable to function. The boll weevil is now present in every producing State of the Cotton Belt except Missouri and Virginia, and has covered fully seven-eighths of the acreage devoted to cotton. During the past year its ravages (while not exclusively responsible for the small crop) greatly reduced the production in every large producing State except North Carolina.

The outlook for production the coming year is not good. The South has thus far experienced a winter almost as warm as last, a condition most favorable to the hibernating weevil. A large proportion of the farmers not only lack the funds or credit with which to procure fertilizers and labor but are discouraged at the outlook for production and prices.

It may be helpful at this point to give a typical illustration of the outlook for landowner and tenant. Let us take a 30-acre farm unit, valued at \$1,500 and including 25 acres of cleared land. This is occupied by a tenant farmer who furnishes all the implements and labor, including mule power, and receives half the cotton and all the grain crop for his services. The landlord's account will appear about as follows:

Landlord's account:	
Debit—	
Taxes	\$25.00
Interest and depreciation	150.00
Fertilizer for cotton	90.00
Cotton seed	10.00
Half of cost of ginning and baling	12.50
Supervision	100.00
Total	387.50
Credit—	
One-half of 5 bales of cotton, at 16 cents a pound	200.00
2½ tons cotton seed, at \$30	75.00
Total	275.00
Landlord's loss	112.50
Tenant's account:	
Debit—	
Feed of mule	75.00
Depreciation and interest on mule	25.00
Taxes	5.00
Fertilizer for 10 acres corn and grain, at \$3	30.00
Depreciation and repairs, implements	10.00
Half of cost of ginning and baling	12.50
Total	157.50
Credit—	
One-half of 5 bales of cotton, at 16 cents a pound	200.00
75 bushels of corn	50.00
100 bushels of oats	50.00
2 tons of hay	40.00
Total	340.00
Return received by tenant	182.50

The balance of \$182.50 represents labor for the entire year for man, wife, and two children, which is 61 cents per day for 300 days. On a 365-day basis this gives a total revenue of 10 cents per day for each member of the tenant's family of four. That these figures are not overdrawn can be readily proven by reference to the production statistics of the Department of Agriculture which are readily available. The Census Bureau reports 1,890,000 farms producing cotton in 1919. This for the crop of 1921 would give 4½ bales per farm. Assuming only one family per farm (a totally unwarranted conclusion) this would give each share-cropping farmer 2½ bales, or a revenue of \$170 from cotton.

What would the cost of production of farm products be if farm labor were allowed a wage commensurate to that received by the coal miner, the railroad worker, the brick mason, or the factory operative? Your committee has not the data upon which to base this calculation, but states without fear of contradiction that no price received, even at the peak prices, will give the actual producer of farm products a wage comparable in any way with that normally received by all classes of union labor and even by most classes of farm labor elsewhere in the United States.

The boll weevil having practically covered the Cotton Belt, and the pink bollworm having been discovered at various points in the western part of the belt, the future hazards in cotton production are greater than ever before. A high production can be kept up only by a much higher range of prices than those prevailing in the past. Those in close touch with the cotton situation have no fear that the recent overproduction—or rather underconsumption due to world poverty caused by war—will continue, but rather are they concerned as to how to keep the cotton industry producing in sufficient volume to maintain a prosperous and well-balanced southern agriculture. It is true that present conditions, caused by a temporary underconsumption, have caused a most serious situation, and this situation must be met by a decreased acreage for 1922 and by financial measures to prevent dumping of the temporary surplus upon the market until demand overtakes supply.

Diversification of crops and the production of ample—but not excessive—supplies of foodstuffs and live stock should be encouraged in the Cotton Belt by every agency interested in the industry. Such a policy, while vital in the present emergency, is desirable at all times for a normal acreage of cotton can not be planted, cultivated, and promptly gathered under boll-weevil conditions. The cost of cotton production can, to a certain extent, be reduced and the yields increased by educating the farmers of the belt in the proper use of fertilizers, the value of seed breeding, and the use of well-bred varieties of uniform staple and good character, and also by giving the farmers access to full information as to the best methods of farm management and diversification. This can best be accomplished by greatly increasing the scope of the extension service of the cotton States and according it ample support.

Attention is called to the growth of cooperative marketing in the cotton industry and the economic saving therefrom. We endorse the continuance and expansion of this movement and the action of the War Finance Corporation in supporting these organizations. We recommend that this corporation be continued until other measures to furnish adequate financial support be devised and put into operation.

Especially attention is called to the problem of the pink bollworm, and your committee recommends that the Department of Agriculture continue its investigations of the situation created by the invasion of this new pest, determine whether it is possible to eliminate or control it, and immediately go to Congress for the necessary appropriation, however large, for complete elimination or effective control. We make the same recommendation with reference to the boll weevil. The history of the pink bollworm in Egypt and in Mexico indicates that should it become firmly established in this country with its ravages added to those of the boll weevil, it is unlikely that cotton production can be profitably continued at any prices which the world may be willing or able to pay for the product.

High transportation charges add to the cost of production of cotton just as they do to the cost of production of every other commodity, and the cotton grower feels that the earliest possible steps should be taken to reduce this burden, and we protest any increase in rates through any proposed readjustment of rates.

Your committee would like to call your attention to the fact that a very high return for labor in the railroad, coal mining, building trades, and other industries has a very definite effect in the cost of production for cotton and is a factor in keeping wages and returns in the cotton industry at the present scandalously low level.

It would also call attention to the fact that the great cotton-producing industry, except in minor sections, can not be helped by a tariff. The tariff on cottonseed oil has, according to the best opinion of many students of that industry, been harmful rather than helpful to the producer. A tariff, when laid upon a product which must be purchased by the cotton producer, adds to his cost of production and reduces the return upon his labor and investment. A particular case in point will be the tariff on potash salts, a commodity which is indispensable to the production of cotton over large areas.

Mr. HEFLIN. Mr. President, I desire to say a few words in line with what the senior Senator from South Carolina [Mr. SMITH] has said, and also what has been said by the junior Senator from South Carolina [Mr. DIAL]. A very serious situation confronts the cotton producers of the United States. The cotton crop being produced this year will be the third crop in succession which will be sold below the cost of production. No man will or should continue in business if that business is a failure. Thousands of farmers have been compelled to quit trying to produce cotton; thousands of them this year were unable to make the financial arrangements to produce a cotton crop. Cotton, as the senior Senator from South Carolina has said, is now selling below the cost of production. That ought not to be, Mr. President, and there is a way to prevent such a condition.

Our farmers and merchants have tried to borrow money to hold their cotton until it would bring the cost of production plus a profit, but word has gone down the line from the Federal Reserve Board not to lend money in order to hold that cotton. What is the farmer to do and what is the merchant to do and what is the local banker to do? What can the local banker do when he can not get aid from the great Federal reserve banking system to help the producer carry his cotton until the business of producing cotton is made profitable? Yet, Mr. President, in the face of the fact that we are confronted with a cotton famine, in the face of the fact that the farmer is now selling his cotton below the cost of production and can not obtain money with which to hold his cotton for a price that will yield a profit, the banking interests of the East, and of Wall Street particularly, are moving heaven and earth to keep this condition hanging over the cotton producers of the South. They are asking the President to reappoint the present governor of the Federal Reserve Board, who has conducted this desperate, drastic, and murderous deflation policy. Some people are saying

every now and then that the President will reappoint the present governor of the Federal Reserve Board; we hear, on the other hand, that he will not do so. I have good assurances from a certain source that he will not, and I am hoping and praying that he will not.

Mr. President, the present condition ought not to be permitted to continue any longer. If I were President and the governor of the Federal Reserve Board continued to serve the stock gamblers of the East with the money supply of the country and to withhold it from the farmers and merchants and bankers of the South and West, I would remove him instantly. He ought not to be permitted to serve another day in his present capacity. No one has a right to hold at the head of that great banking system such a governing power as we have at its head to-day. No one has the right to administer that banking system so that it will deny to the producers of cotton in the United States a profit upon their labor and investment. It is wrong; it ought not to be permitted.

The country is in a state of dire distress, not only amongst the farming class, but there is also industrial distress. There is more unrest and discontent in the country to-day than there has been in many years, but there is not anything in the financial world which the President could do that would so quickly restore confidence generally amongst the masses as to take from the head of the great Federal reserve banking system the deadly and dangerous power that now presides over it in the person of Governor Harding.

I shall not consume any more time of the Senate, Mr. President. I do not wish to interfere with the discussion of the pending tariff bill, but the senior Senator from South Carolina has put his finger upon a very important and serious matter, a matter that involves the welfare of millions of people in the cotton-producing section and of millions of people in the United States who are dependent upon cotton goods and also of people in other sections of the world.

If a cotton famine should develop millions of people will suffer for the wearing apparel which is made of cotton; millions of people who are employed in the spinning industry will be thrown out of employment. While Senators are here planning and pulling to heap up profits for a few men by the use of the taxing power, employing legislative enactment to take away millions of dollars from unwilling people by processes of law and to put them into the pockets of a few manufacturing magnates, I appeal for simple justice to the great army of cotton producers in the United States who are to-day selling their produce below the cost of production and are consequently eking out a miserable existence.

#### PETITION.

Mr. WILLIS presented a petition of sundry citizens of Sandusky, Ohio, praying for the passage of a protective tariff act based upon American valuations, which was referred to the Committee on Finance, and the body of the petition was ordered to be printed in the RECORD, as follows:

*To our honorable representatives in the United States Congress, Senators and Representatives:*

We, the undersigned residents of the city of Sandusky, Ohio, dependent upon the industrial prosperity of our community and interested in its development, respectfully urge that a permanent tariff bill be enacted that will protect American products and American workmen, and that the administrative basis of the bill for the assessing of ad valorem duties be American valuation, substantially in accord with the Fordney bill, as reported by the Ways and Means Committee of the United States Congress.

#### RETIREMENT OF NAVAL RESERVE FORCE OFFICERS.

Mr. SHORTRIDGE introduced a bill (S. 3861) to provide for the retirement of certain officers of the Naval Reserve Force on account of physical disability, and for other purposes, which was read twice by its title and referred to the Committee on Naval Affairs.

#### THE L. C. PARKER PLAN RELATIVE TO JUVENILE CRIME.

Mr. JONES of Washington submitted the following resolution (S. Res. 323), which was referred to the Committee on Education and Labor:

*Resolved*, That the Committee on Education and Labor of the Senate be, and it is hereby, authorized, by subcommittee or otherwise, to investigate the plan of L. C. Parker, of Seattle, State of Washington, for the reduction and elimination of juvenile crimes in the United States, and to recommend to Congress what, if anything, the Government of the United States should do concerning such plan and what, if any, arrangement should be made with L. C. Parker in connection therewith.

#### THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7456) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes.

Mr. WALSH of Massachusetts. Mr. President, I have some reluctance in attempting to discuss the wool schedule. I have not had the experience or the deep, keen, personal interest that some of the Senators on this floor possess who in the course of debate to-day have referred with a good deal of pride to the fact that they were manufacturers of wool or were wool-growers. Therefore I can not speak with the knowledge or the self-interest of the wool manufacturer, and neither can I speak with the knowledge or the self-interest of the woolgrower. Fortunately, however, there has been prepared by disinterested organizations which have been created by the Government information of an unprejudiced character which gives the story of this industry and provides all the available facts necessary to discuss the wool tariff question from the standpoint of one who is not personally interested but is striving to determine the public interest and welfare.

Hardly a word has been said during this day's debate about the great army of consumers in this country upon whom the rates in this schedule will bear more heavily than will the rates in any other schedule in this tariff bill. Hardly a word has been said for the people of America who must wear woolen clothing in order to protect themselves against the cold and severe climate of our country. Hardly a word has been said for the people of America who must have wool, just as the people of my State are clamoring now for coal, realizing the approach of a great coal famine because of the strike in progress in the coal mines of this country. Has the consumer no rights? Has the consumer no right to stand here and to ask the only question which is in issue in the first two paragraphs of this schedule, namely, Is this rate of 33 cents on wool fair? Is it a just rate? Is it an honest burden to place upon the backs of the American people? Is it a tax that can be justified in the light of all available information?

The manufacturer is silent; he has been made voiceless; but if he could speak we know he would denounce the rate upon raw wool as an injury to him, as an injury to his business, as an injury to the growth and development of the wool-manufacturing industry of the United States. He has been silenced by the compensatory and protective duties levied in this bill upon wool manufactures, which are also excessively high.

Mr. President, I am going to confine what I have to say at this time strictly to the first two paragraphs. The wool schedule contains many paragraphs, each of which will provoke much discussion. The duties, compensatory and protective, levied upon tops, yarns, dress goods, woolen cloths, blankets, and knit fabrics all involve serious questions and somewhat different principles than are involved in the first two paragraphs—the one fixing a duty upon carpet wool, and the other paragraph fixing a duty upon raw wool used in clothing. What I have to say at this time is to relate to the first two paragraphs, and more particularly to the duty attempted to be levied upon wool clothing than that upon wool for carpeting, because I do not think there is very serious difference between this side of the Chamber and the other as to that paragraph. It permits the importation of carpet wool free of duty unless that wool is used for the making of clothes; but it is a singular thing, it is a significant thing, it is an indictment of the policy pursued by the drafters of this bill that in the very same paragraph where they admit free of duty the raw material out of which is made the carpet upon which people walk they impose a duty upon the very same raw material when converted into clothing which poor people must wear upon their backs, for only the poorest of the poor wear carpet wool in their clothes.

I shall not at this time, either, discuss, except incidentally, the cost to the manufacturer and then to the consumer because of the high duty levied upon raw wool. At a later time, in the discussion of this schedule, I shall address the Senate at some length about the cost to the American people of this excessively high duty upon raw wool, and I shall prove that it constitutes a burden upon the American people greater than they have ever before been obliged to assume.

Mr. President, the duty of 33 cents levied on wool for clothing in paragraph 1102 is the highest duty ever levied on raw wool under any tariff law. The duty in the Senate bill is a specific duty upon the grease basis, graduated upward at each decline of 3 per cent in the shrinkage. It is equivalent in each instance to approximately 33 cents per clean pound.

The House text provides for a specific duty of 25 cents per pound on the clean content, with a maximum ad valorem limitation of 35 per cent, which is the first time that the clean content of wool has been made the basis for levying a duty on wool. It is to be observed, therefore, at the very outset that the Senate duty is an increase over the House rate of at least 33 per cent, or even more whenever the maximum ad valorem provision in

the House bill is operative, for it is clear that this proviso would, under certain conditions, have made the duty actually levied less than 25 cents per pound. This proviso was to the Senate committee one of the objectionable features of the House text, and was eliminated through the insistence of the agricultural tariff bloc.

Mr. SMOOT. Mr. President—

Mr. WALSH of Massachusetts. I know what the Senator is going to say, but he will please notice my words. I am not talking about the wool that has been produced in this country. The duty levied in this law is a duty on importations and not necessarily a subsidy or a bonus or a gift to the woolgrowers of this country.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Utah?

Mr. WALSH of Massachusetts. I do.

Mr. SMOOT. It was not to the wool producer in the past, but the manufacturer got his all right; and he took good care that he did get it, too.

Mr. WALSH of Massachusetts. I was astonished to hear the Senator confess to-day in this Chamber that he voted in the Payne-Aldrich bill for duties in behalf of the manufacturers of this country that he denounced here to-day in stronger terms than I could possibly denounce them, and yet he stood here and said, "I voted for that bill as a manufacturer and as a Senator of the United States."

Mr. SMOOT. Mr. President, I qualified that statement by saying that there were no goods that came in such as I described, with the exception of the sample blankets that were brought in here—I think a dozen pair—in that year; but I pointed to the fact that it was true under the Payne-Aldrich bill that if those goods did come in and were used in that way there would be 485 per cent duty upon them, and that provision is out of this bill.

Mr. WALSH of Massachusetts. My remark was provoked by the remark of the Senator that the manufacturers "got theirs," and they did get it. They got more than they ought to. One of the scandals of our national legislation is what the manufacturers got in the Payne-Aldrich bill, of which we will hear a good deal during this debate; but what I comment upon is the Senator's denunciation of that law, and his statement that he voted for it.

Mr. SMOOT. Or, in other words, there will be a profit between the wool itself and the time it gets into the cloth and is sold of 300 per cent on that 33 cents. That is what this statement says.

Mr. WALSH of Massachusetts. A profit of about 300 per cent. I am not going to defend the manufacturing interests. I am going to join with the Senator, and I am going to give him an opportunity, by his votes and by arguments produced here, to drive down some of the protective duties levied in this bill in favor of the manufacturers.

Mr. SMOOT. Mr. President, all that I wanted to call attention to particularly was the statement just made by the Senator as to this 33 per cent duty costing the wool-manufacturing industry \$72,000,000. I say it will not be \$72,000,000; but even on that statement of \$72,000,000, the Senator says it will amount to \$200,000,000 when it gets into the cloth. There is nearly 300 per cent, and somebody is going to account for it.

Mr. WALSH of Massachusetts. Why do we not find some way to check that 300 per cent instead of levying a duty which will help this industry and the woolgrowers to get more profits?

Mr. SMOOT. Mr. President, I do not say that that will be the fact. I claim that it will not be a fact, although the very men who make the statement are the very men who hope to have in the end that 300 per cent; but they will never get it under this bill.

Mr. WALSH of Massachusetts. Mr. President, what is the situation in this country that justifies now, to-day, the imposition of the highest rate ever imposed upon raw wool? Certainly the condition of the working people does not justify it. Certainly the condition of the business people does not justify it. Certainly the deplorable condition of the cotton growers, that the Senator from South Carolina just described, does not justify it. Where are the groups of people in this country who are in such a favorable situation financially to-day, this year, now, that they can have levied upon them a higher protective duty than ever before on raw wool?

Mr. BURSUM. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from New Mexico?

Mr. WALSH of Massachusetts. I yield.

Mr. BURSUM. In answer to the Senator's question I will say that the cost of production justifies this rate, and it is simply a question of policy as to whether or not it is desirable to maintain the industry in this country. If there ever was a rate based upon the actual cost of production as compared with the cost of the imported article, it is the rate which has been fixed upon this wool schedule.

Mr. WALSH of Massachusetts. Mr. President, I have no doubt whatever but that the woolgrowers have suffered greatly in the past two years; but the able Senator from South Carolina has just told you the troubles of the cotton growers, and they have just as much right to come here and demand that protective duties be given them as have the woolgrowers of this country.

The story which he has told of the depression in that business, of the losses, of the threatened destruction of that important industry, is paralleled by the story that we know and will hear from the woolgrowers; and let me say to you, sir, that there are walking the streets of this country now from two to four million people who have no way whatever of providing themselves with a livelihood, and must draw upon their reserve funds, as the woolgrowers, the cotton growers, the manufacturers, and the business interests of this country are sometimes obliged to do. Why not come here and ask that a protective tariff or bonus be levied in favor of those who have no employment whatever?

Mr. BURSUM. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts further yield to the Senator from New Mexico?

Mr. WALSH of Massachusetts. Just a moment. There is just as much reason for it if we are to take care of every industry that is impaired and injured. Why, Mr. President, if this thing goes on I look to see attempts to enact laws here which will demand that the American people buy this product and buy that product, and buy it at this price and buy it at that price, in order that certain industries may be kept prosperous. If this were the only industry, important and necessary as it is, that was struggling, that was suffering, that was financially embarrassed, it would be a different story. Only within the last week, and during the whole discussion, manufacturer after manufacturer has approached me and has said: "To show you how our business has been injured I will bring you statistics to show that we have had in the past two years more failures in our line of industry than in any other industry in the country and a higher percentage of failures than ever before." Is that the basis upon which we are to proceed to levy duties upon our people? When an industry meets with depression, must we come here and by law compel all our people to contribute something to the income of the people engaged in that depressed industry?

I now yield to the Senator from New Mexico.

Mr. BURSUM. Mr. President, we do not ask for a duty on the basis of failures or any hard luck; but we do contend that we are entitled to such a duty as will give the industry a relative purchasing power as compared with the purchasing power of other industries and other commodities and other things which enter into the expenses of the industry.

Mr. WALSH of Massachusetts. The Senator's industry is entitled to just as much fair consideration in the way of protection as any other industry. I do not dispute that at all.

Mr. BURSUM. Wool enters largely into clothing, and I say that the wool producer is entitled to a fair relative proportion of the proceeds of the article in which his product is used. For instance, take a suit of fine clothes made by a tailor. It will cost \$95. The producer, the raiser of the wool, will not get to exceed \$5 out of that suit, less the expense of commissions, and freights, and all other expenses, so that ultimately he gets less than 2½ per cent of the price of the suit.

Mr. WALSH of Massachusetts. I agree with the Senator; but the Senator must find some law to restrict profits if he is going to get for the producer of the raw material a better share of the proceeds.

Mr. BURSUM. Let me say to the Senator from Massachusetts, further, that even under the duty proposed the business will not yield to exceed 10 per cent on the investment for a term of 5 years to the woolgrowers in the West. It is simply a question of whether the Senator will agree that it is policy to keep alive this industry, and permit it to continue to produce in this country.

Mr. WALSH of Massachusetts. Let me ask the Senator one question, frankly: Has the woolgrowing industry ever been a paying industry in this country?

Mr. BURSUM. Well, yes.

Mr. WALSH of Massachusetts. It has been? When?

Mr. BURSUM. It has gotten along. It never has made large profits.

Mr. WALSH of Massachusetts. Then the woolgrowing industry of this country under former protective tariff duties on wool was prosperous, or was a paying business? Then I say we ought not to increase these duties to the extent which is proposed here simply because last year and the year before we went through a financial panic in this country.

Mr. BURSUM. Let me say to the Senator that the cost of production has greatly increased, the cost of labor has increased, the cost of grazing lands has increased, and taxation has increased, both county, State, and Federal; so that you can not produce wool under present conditions at the same cost at which you could produce it before the war, or 10 years ago, or 20 years ago.

Mr. OVERMAN. Does the Senator contend that this rate is put in the bill for the purpose of allowing the woolgrowers 10 per cent on their investment? Do I so understand him?

Mr. BURSUM. I say they can not make to exceed 10 per cent under this rate. It does not give them 10 per cent. They can not possibly make over 10 per cent, over an average of five years. There is no industry as hazardous as the live-stock industry. There is no class of people who encounter the hazards in industry that they encounter.

Mr. OVERMAN. That is the basis upon which this rate is to be levied, to give them 10 per cent on their investment?

Mr. BURSUM. Yes; we figure that. We think we ought to have it.

Mr. OVERMAN. Has that been the rule as to every industry in this country?

Mr. BURSUM. I do not think so. It is contended that some of them make a great deal more than that.

Mr. OVERMAN. But that is the idea upon which this rate is based?

Mr. BURSUM. I say that is about what the rate would produce under favorable conditions. A rancher might be able to make 10 per cent.

Mr. WALSH of Massachusetts. So I understand we are asked to pass a law fixing a protective duty upon wool which will, in the opinion of those who know best the woolgrowing industry in this country, reflect a profit of 10 per cent to that industry. That is the first time I have ever heard it proposed to this body that we should fix a protective duty which would give any class a fixed profit.

Mr. BURSUM. Does not the Senator think that the people who are in this business should be enabled to make a living?

Mr. WALSH of Massachusetts. I will not argue with the Senator, I will not go into any controversy about the depressed character of this business, about its great financial losses; but while the Senator is thinking of the woolgrowers I am thinking of the men and women of New England, and the men and women all over this country, who are walking the streets without any work whatsoever. They have a right to be considered when it comes to the question of tariff duties and of imposing taxes upon the people of this country, for the clothes they wear and the blankets that shelter them.

Mr. SMOOT. Mr. President, the Senator from New Mexico did not say that the committee reported this rate with a view of giving every woolgrower 10 per cent. That never entered the minds of the committee.

Mr. WALSH of Massachusetts. It is, then, a mere coincidence that the committee and the Senator from New Mexico agreed upon the rate that would result in that profit.

Mr. SMOOT. But the remark of the Senator from New Mexico was, that even with this rate there would be no woolgrower in the United States who could make more than 10 per cent, and he expressed the opinion, in answer to the Senator, that he thought they would make 10 per cent under this rate. Then he qualified that by saying it is the most hazardous business in the United States.

I want to ask the Senator another question: Was the statement that there would be a 300 per cent increase on this 33-cent wool by the time it got into cloth, or \$72,000,000 in one case and \$200,000,000 in another, made by the same party who said that a suit of clothes would cost \$4.75 more if this increase in the rate of 33 cents over existing law took place?

Mr. WALSH of Massachusetts. The Senator is attempting to put on my tongue words I never used. I never referred to a 300 per cent profit. He did himself, and I did not dispute it. The Senator himself raised that question. I said nothing about the amount of profit to the manufacturer. The Senator is asking me if the authority which gave him the information which he had was the same authority which gave me information about another proposition. Who is the Senator's authority? Let him tell me that, and then I will tell him who mine is.

Mr. SMOOT. I had no authority except what I saw in the press, and that statement came from Mr. Goldman, and Mr. Goldman also made the statement that if the rate of 33 cents a pound on scoured wool took effect, a suit of men's clothing would cost from \$4 to \$4.75 more. I know how reasonable the Senator from Massachusetts is. I know he does not want to be misled, and he would not for the world try to mislead anybody else.

Mr. WALSH of Massachusetts. I think if the Senator will give me time I can make my position clear. I will state objections to this rate which I am going to try to prove. I do not know whether I will be able to or not, but I am going to try. One of them is the statement the Senator is now contradicting. He has not heard my side. He has not heard my mathematics. My authority is my own mathematics, plus what I hope is the disinterested information which the Tariff Commission furnishes in the pamphlets and documents they publish. I have no manufacturers' statistics. I have only the Tariff Commission's statistics.

Mr. SMOOT. I know that, and that is what I want the Senator to take. There is no question but that the tariff survey says that on May 19 of this year 50 to 60 of good medium fleece cost 40 pence per pound, which is 80 cents a pound. Add the 33 cents to that and you have \$1.13 a pound, if every cent of the tariff were added. That is a scoured pound of wool that goes into a man's suit. There are 4 pounds of that scoured wool, taking the lightweights. Some do not like to say 4 pounds, but I say 4 pounds.

Mr. WALSH of Massachusetts. I do not want to interrupt the Senator, but I said a few minutes ago that on Monday I intend to discuss, separately and entirely apart from this rate, the question of costs. I am going to try to show that this rate, in the light of previous laws, in the light of all the information I have received, in the light of the depressed condition of the country as a whole, is an unfair, unjust, and wrong burden to place upon the backs of the American people.

Mr. SMOOT. At \$1.13, 4 pounds makes \$4.52 on the wool that goes into a suit of clothes. We could give him all the wool for nothing, not make him pay any duty, and if he was honest he would say it did not cost \$4.75 more for his suit of clothes.

Mr. WALSH of Massachusetts. I want to ask one question. What does the Senator say will be the increased cost on the wool in a suit of clothes, the average suit of clothes worn by the average American citizen, by reason of this duty?

Mr. SMOOT. Over existing law?

Mr. WALSH of Massachusetts. Yes.

Mr. SMOOT. On the ordinary clothing in the United States, under existing law to-day, there will not be any increase, and I can prove it to the Senator. But there are the coarse English wools which we discussed this morning, on which there will be a great increase in the wool itself—that is, where the shrinkage is low.

Mr. WALSH of Massachusetts. The Senator says to me and to this body that we are proceeding to increase the protective duty upon raw wool, and consequently the compensatory duties upon the manufactured articles, but that there will not be any increase in the cost of clothing. That is absurd, and even a child would not believe such a proposition as that.

Mr. SMOOT. The Senator misunderstood me. I did not say there was not any increase—

Mr. WALSH of Massachusetts. I asked the Senator what, in his opinion, would be the increased cost of a suit of clothes. He said not anything. Then I say to him that we are proceeding to increase the duty upon raw wool, and consequently the compensatory duties to the manufacturers, and he has the hardihood to say it will have no effect at all upon the consuming public.

Mr. SMOOT. The Senator certainly did not understand what I said.

Mr. WALSH of Massachusetts. Perhaps I did not. I will give the Senator another chance.

Mr. SMOOT. I said that on the general run of clothing worn by men throughout the United States, under the existing rates, there is no increase.

Mr. WALSH of Massachusetts. If the wool growers get 10 per cent profit, somebody will have to pay it. Perhaps it is the manufacturer and not the consumer who will pay it, but that is incredible.

Mr. SMOOT. The Senator is not complaining of the 10 per cent rate in the emergency tariff law? The emergency tariff law saved every wool grower in the United States. If it had not been for that, there would not have been a single wool grower in the United States who would not have failed, I do not care who he is.

I wanted simply to say that the statement, which is going from one end of this country to the other, that this duty of 33 cents would mean an increase in the cost of a suit of clothes of \$4.75 is not true, and I do not believe the Senator believes it is true.

Mr. WALSH of Massachusetts. I think I will have to make that assertion, or very near that assertion, and I will demonstrate it. I know I have not the ability at figures; I know I have not the wonderful analytical mind of the Senator from Utah. I know I can not penetrate into these questions to the depth he can, but I do know that when you levy a protective duty that becomes effective—and everybody knows that the rate on wool will, because we must import wool—it means that the consumers of wool must pay more for the cloth that they buy and the suits they wear. That, it seems to me, does not require any further demonstration than the statement itself.

Mr. SMOOT. I read from the Tariff Commission's report this morning that 4.5 per cent of the total wools consumed in the United States were these low-shrinking wools, and that we produce about 20 per cent of them in the United States, which would be less than 1 per cent of all the wools in the United States. The other 80 per cent is imported. The low shrinkage on wool comes in carpet wools, and we make those free, as the Senator knows.

Mr. WALSH of Massachusetts. Into what kind of fabric do the wools go which are imported, and on which the rate is being increased?

Mr. SMOOT. The great bulk of them go into clothing.

Mr. WALSH of Massachusetts. Yet the Senator says he is going to increase the duty, but that it will not increase the price of clothing.

Mr. SMOOT. That is exactly where the Senator did not understand me. None of that wool comes in skirting at all unless it pays 30 per cent, and if it comes in scoured it pays 45 per cent, and in the pending bill it pays 33 per cent.

Mr. BURSUM. Mr. President, I simply desire to call the attention of the Senate to the fact that this rate is practically one-third less than the present rate on wool. The present rate is 45 cents on scoured wool, 30 cents on skirted, and 15 cents on cleaned.

Mr. WALSH of Massachusetts. I am going to have something to say about that directly.

Mr. BURSUM. So that this rate is a lower rate than the one under which we are now operating.

Mr. WALSH of Massachusetts. I think, with the joker in the emergency law, this is a lower rate, but without the joker, so called, to the casual reader of the emergency law it appears to be lower. The joker did succeed in doing away with any rate upon wool at all, practically speaking, but put an embargo on wool. It stopped all wool from coming into this country, and I say to the Senator that if the emergency law should continue in operation another year you would see the prices of wool and wool clothing increase in this country to heights they never reached before. The Senator knows he will not dispute my statement that the recent increases by the American Woolen Co. in the price of woolen cloth have been due to the fact that the emergency embargo law is just now becoming effective. The oversupply of wool in the world did not permit that law to become operative until now. But just now it is becoming effective. We are going to feel the results of the embargo, the results of an embargo on one-half of the wool which people must have in the clothes they wear.

Mr. SMOOT. Mr. President, I want to say right in this connection—

Mr. WALSH of Massachusetts. The Senator may go on; I do not care about what time he consumes, but if Senators would permit me to demonstrate my propositions one at a time and to discuss them, I would be able to answer some of the questions which Senators are now presenting to me. I have a very long discussion and considerable to say about the effect of the emergency tariff law, which will answer the question that has just been propounded.

Mr. SMOOT. I want to say to the Senator now that with the emergency tariff law in effect I have sent to five of the best mills in the United States and asked them to send me samples of their goods with the prices of April, 1920; July, 1921; and February, 1922. I want to say to the Senator now that the July prices of 1921 were less than one-half of what they were in April, 1920. I want to say further that the prices in February, 1922, under the emergency tariff law, were less than they were in January, 1921.

Mr. WALSH of Massachusetts. What does that prove? Does not every American know that the peak of prices in

everything was reached in 1920, and that there has been a decline since in wool as well as everything else?

Mr. SMOOT. I am speaking now of July, 1921, after the emergency tariff law was enacted, and I am speaking of the prices of 1922. The February, 1922, prices were lower than the July, 1921, prices.

Mr. WALSH of Massachusetts. Will the Senator give us the prices since February, 1922?

Mr. SMOOT. Yes.

Mr. WALSH of Massachusetts. Why did not the Senator give us the last prices available? The Senator knows that the prices to-day are substantially above those of February, 1922. He knows there has been a substantial increase in prices between February, 1922, and the present time. Why take the lowest figure under date of February? Does the Senator dispute the fact that there has been a substantial increase since February?

Mr. SMOOT. I dispute the fact that that was the lowest opening. There were only two openings in woolen goods in the United States, and the opening of those goods was in February, 1922, and that is the price I quoted. I have the price lists here, and any Senator can find out by asking any purchaser of wool.

Mr. WALSH of Massachusetts. Will the Senator dispute that the American Woolen Co. announced increases in prices of 20 per cent and more within the last two months? Will he dispute that?

Mr. SMOOT. I deny the fact that all goods—

Mr. WALSH of Massachusetts. Will the Senator dispute that? Yes or no.

Mr. SMOOT. I say that in one line of goods there was an increase of 20 per cent, but because of that fact it does not necessarily follow that there was an increase in all the lines of all the mills of the United States. I could tell the Senator the reason why.

Mr. WALSH of Massachusetts. I want to know the Senator's position. The Senator states now that there has been no increase except in one line of woolen goods since February, 1922.

Mr. SMOOT. No; I did not say that.

Mr. WALSH of Massachusetts. What was the Senator's statement about the present prices compared with those of February, 1922?

Mr. SMOOT. The Senator said 20 per cent—

Mr. WALSH of Massachusetts. I said it is more than 20 per cent. There have been two, if not three, increases in the prices in the last three months, due to the fact that the emergency tariff law is now becoming effective in the prices of woolen cloths.

Mr. SMOOT. Of course, the emergency law was enacted in May, 1921. That is when it was enacted.

Mr. WALSH of Massachusetts. Is it not a fact that all the world was flooded with wool and that this country had an over-supply of wool, and that it is now becoming exhausted and we are beginning to draw upon the world's supply, and when we began to do that we found an embargo against wool coming in here?

Mr. SMOOT. We took one hour of time this morning in talking about the rates on wool because of overproduction in the world in 1921. The Senator knows that where there is an overproduction—and particularly is that the case with the coarse wools—we had the Government of the United States carrying over about 60,000,000 pounds and no demand for wool. The price of wool went down. There are abnormal prices now and there were abnormal prices in 1921. There are, so far as coarse wools are concerned, abnormal prices to-day. We can buy the coarse wools to-day in London for 22 cents a pound. They are abnormal, and why? It is because there is no special demand for them in the world to-day.

Mr. WALSH of Montana. Mr. President, with the permission of the Senator from Massachusetts—

Mr. WALSH of Massachusetts. I yield to the Senator from Montana.

Mr. WALSH of Montana. The Senator from Utah has twice to-day asserted that but for the emergency tariff law every producer of wool in the country to-day would be in bankruptcy and the industry totally destroyed. I do not care to allow that statement to go unchallenged. There is no justification whatever for it, in my judgment. I voted against the emergency tariff law for reasons more or less unrelated to the duty upon wool. Nevertheless, the facts in the case disclose that the contention made by the Senator from Utah has no support whatever.

I have here a schedule furnished me by the Bureau of Markets giving the average prices of wool for each month from January,

1921, down to and inclusive of the month of April, 1922. It discloses that at no time during that period was the price of wool in London less than 21 cents.

Mr. SMOOT. Oh, well, Mr. President—

Mr. WALSH of Montana. I object to the Senator interrupting until I get through, and then I shall be very glad to yield to the Senator.

The fact about the matter further is that the emergency tariff law, although it was approved in the month of May, 1921, did not become effective so far as the market prices were concerned until after all of the wool produced in this country during the year 1921 was on the market, from the fact that large importations were made in anticipation of the enactment of that law. So that the wool prices for 1921 have no relation whatever to the emergency tariff law.

So far as destruction is concerned, I was in the wool business myself for 10 years as a side issue, and I know something about it, though, of course, not so much as the Senator from Utah. I was fortunate enough to dispose of all my interests in the wool business several years ago, so I speak as an onlooker in Venice. But when I was in the business we got 17 cents a pound for wool, and we considered that we were doing fairly well. Now, the cost of producing wool has, of course, very largely increased during the last five, six, or seven years. The range has been taken up, the cost of labor has increased, the cost of supplies has increased, and so on. But I think it is utterly indefensible in any man to say that when wool is selling at 21 cents a pound on the market in London the wool business would be utterly destroyed.

The fact about the matter is that the figures show during all of this year prices for wool in London which ought to be regarded as pretty fairly remunerative for the production of wool in this country.

In January, 1922, the price was 26 cents a pound; in February, 26 cents; in March, 28 cents; and in April, 28 cents. I submit this table, and with it a table of importations during the same period, showing that up to and including the month of April, 1921, our importations of wool amounted to 227,567,377 pounds, while the total for the year amounted to 326,365,751 pounds; in other words, about three-fourths of all the importations occurred during the first four months of the year, so that the emergency tariff law was of no benefit whatever to the woolgrowers in the United States, so far as 1921 was concerned.

Of course, for 1922 there was some substantial advantage, because in the month of January, 1922, the price in the United States was 37 cents, while in London it was 26 cents; in February, 1922, the Boston price was 41 cents as against the London price of 28 cents; in March, 1922, the Boston price was 41 cents as against the London price of 28 cents; and in April the Boston price was 39 cents as against the London price of 28 cents. But when wool was selling for anywhere between 21 and 28 cents a pound I think it rather an unjustifiable statement to say that the industry would have been ruined.

Mr. President, I ask that the tables to which I have referred may be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

*Monthly average prices of wool.*

[Wool Record and Textile World (London prices). Boston Commercial Bulletin (Boston prices).]

Month.	Boston. <sup>1</sup>	London. <sup>2</sup>
1921.		
January.....	Pound. \$0.29	Pound. \$0.58
February.....	.30	.45
March.....	.30	.37
April.....	.30	.30
May.....	.29	.26
June.....	.28	.21
July.....	.27	.21
August.....	.26	.22
September.....	.26	.23
October.....	.27	.25
November.....	.28	.25
December.....	.32	.26
1922.		
January.....	.37	.26
February.....	.41	.28
March.....	.41	.28
April.....	.39	.28

<sup>1</sup> Ohio, Pennsylvania, and West Virginia, § blood, unwashed.

<sup>2</sup> British fleece wool—pick shrop hoggets.

Imports of wool, unmanufactured, into the United States by months, 1921.

[Statement prepared by Research and Foreign Statistics Section, Bureau of Markets and Crop Estimates. Source, Bureau of Foreign and Domestic Commerce.]

	Pounds.
January-----	21,169,480
February-----	42,885,968
March-----	98,103,098
April-----	65,402,631
Total (four months)-----	227,561,377
May-----	14,744,598
June-----	5,951,755
July-----	9,396,864
August-----	15,866,744
September-----	14,592,459
October-----	9,085,706
November-----	10,946,395
December-----	12,519,853
Total (eight months)-----	93,104,374
Total for year 1921-----	320,665,751

Mr. SMOOT. Mr. President, I wish to show that the figures quoted by the Senator are wrong. I do not know who prepared them, but to show that they are wrong, I want to quote from the Tariff Commission as to the London market. For instance, 36/40's crossbred fleeces on March 5, 1921, were unsalable; they could not sell them. In April they could not sell them. On May 12 they were 9 pence, or 18 cents.

Mr. WALSH of Montana. May I inquire from what the Senator is reading?

Mr. SMOOT. I am reading from "Recent Tendencies in the Wool Trade," page 12. On June 18 the price was 9 pence, or 18 cents; on July 28, 7 pence, or 14 cents. That is not 20 cents a pound. On September 15 the price was 8 pence, or 16 cents. Then, coming down to October 15, 1921, the price was 8 pence, or 16 cents; October 30, 8 pence, or 16 cents; December 8, 8½ pence, or 17 cents; January 12, 10 pence, or 20 cents; February, 9 pence, or 18 cents; March 10, 9 pence, or 18 cents.

Now, let us see whether there was not any increase in the price during the first four months of 1921.

Mr. WALSH of Montana. Mr. President, will the Senator pardon an interruption?

Mr. SMOOT. Yes.

Mr. WALSH of Montana. The Senator has given us the figures for the very lowest grade of wool scheduled.

Mr. SMOOT. And the Senator said there was no wool sold for 20 cents in London.

Mr. WALSH of Montana. Oh, the Senator is quite in error.

Mr. SMOOT. I will let the Record speak for what the Senator said.

Mr. WALSH of Montana. The table shows the average price of wool, and it gives the quality as three-eighths crossbred.

Mr. SMOOT. Of course there never was any three-eighths crossbred that sold for 20 cents.

Mr. WALSH of Montana. The Senator does not intend to say that the grades he spoke of are ordinary western country wools?

Mr. SMOOT. No; and I say to the Senate of the United States that there was not any question but what the price was never less than 20 cents a pound on western wools in London. There is no doubt about it at all. That, however, is on the scoured pound. That is not in the grease. On the scoured pound the Senator will note that I quoted as to the three-eighths crossbred and not in the grease. The prices I quoted were on scoured wool, not wool in the grease.

Then, taking the prices showing the advances on wool, the increases began in January. On the fine staple in October, 1920, the price was \$1.37. Then the peak began to fall. In January the slump came and prices went to 83 cents, in April to 90 cents, and then fell in July to 83 cents, in October to 83 cents, and in January, 1922, went to 91 cents. That is on the scoured pound.

Mr. GOODING. Mr. President, will the Senator from Massachusetts yield to me?

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from Massachusetts yield to the Senator from Idaho?

Mr. WALSH of Massachusetts. I yield to the Senator from Idaho.

Mr. GOODING. The junior Senator from Massachusetts is discussing the question of the tariff from the laboring man's standpoint; and he is fighting for a reduction of every duty which is contained in the bill. I myself am advocating a high protective duty and voting for every rate, regardless of how high it may be, in the interest of the laboring man. This coun-

try is the only country in the world, Mr. President, which, since the World War, has not increased the protection afforded to manufacturers. There is no exception to that rule. Germany, as measured by the mark, has increased her protective tariff rates sixty-five times; Austria, measured by the kronen, has increased her protective tariff rates two hundred times; but we permit importers in this country to go to all foreign countries, with their depreciated currencies, and to bring in foreign goods and sell them here regardless of what they cost. On the other hand, the people are not getting any benefit from such importations, as has been clearly shown by the exhibits which have been presented here on different occasions, which demonstrated that as high as 3,000 per cent profit was being charged by the department stores on foreign-made goods.

Our tariff law to-day affords the lowest protection accorded by any country on the earth, not even excepting free-trade England. England has 26 per cent protection, as against all German imports, while the average rates in the pending bill are not 35 per cent. Besides that, England provides a protective rate of 33 per cent additional on all her "key" industries. Unless we do what Germany is doing, what Austria is doing, and what every other country is doing—shut our doors against imports of goods of foreign manufacture which may be manufactured in our country we shall not put to work the 3,000,000 or 4,000,000 men now out of employment, for those men can only be put to work by starting the wheels of industry.

The Senator from Massachusetts may say that we are not getting any great amount of imports from Germany, but we are getting a very much larger amount of imports, not in dollars and cents, perhaps, but very much larger in amount, to displace labor than we got before the war; two or three times as much. Unless we do what every other country has done, practically impose an embargo, we shall never increase our manufactures. I can understand why the Senator might oppose the rates proposed if they were based on the American valuation, or might feel that the rates were too high, but on the foreign valuation, measured by the mark and by the kronen, and the depreciated currencies of other countries, we have not any protection at all.

I do not care how high may be the rates which are adopted in this bill, it is not going to help some of our manufacturing industries. I am discussing the tariff bill, I wish to say to the Senator from Massachusetts, in the interest of the laboring man. It is his question, and nobody else's. I want such protection as will give him a job in America; and the only way he can get it will be by protecting our industries and shutting out imports, because when we import \$1,000,000 worth of foreign products we import \$1,000,000 worth of foreign labor. That is all there is to the question of protection—the opportunity for the American laboring man to have a job.

Mr. WALSH of Massachusetts. Mr. President, one distinction between the position of the Senator from Idaho and of myself is this: He wants the laboring man to have a job, while I want the laboring man to have a wage which bears some relationship to the cost of living. To obtain that for him it is very essential that reasonably low protective tariff duties shall be levied.

However, the discussion just indulged by the Senator from Idaho is of a general nature and does not relate to the subject under consideration. At some other time I shall again discuss, if necessary, at length my general views upon protective tariff duties, but at this time I am trying to confine the discussion and have up to now confined it to the schedule and paragraphs which are immediately under consideration. Mr. President, I must proceed with my argument.

#### RATE UNDER EMERGENCY TARIFF LAW.

Mr. President, in order to appreciate the magnitude of the proposed duty let us make a comparison of the duties levied in previous laws. To do this we should transpose the duty levied on wool in the grease to its equivalent in clean content.

First, let us consider the emergency tariff law. This law imposed a duty of 15 cents per pound on unwashed wool, 30 cents per pound on washed wool, and 45 cents per pound on scoured wool. But the rates actually in effect were double those here noted because of a joker relating to skirted wool, which reads as follows:

On wool and hair provided for in this paragraph, which is sorted or increased in value by the rejection of any part of the original fleece, the duty shall be twice the duty to which it would otherwise be subject, but not more than 45 cents per pound.

Incidentally it is to be noted that this limitation of 45 cents per pound refers to wool in the condition in which imported. It does not apply to the unwashed wool which, if skirted, would be dutiable at 30 cents; but makes the duty on washed

wool, if skirted, 45 cents instead of 60 cents, and it prevents any increase in the duty of 45 cents on scoured wool—that is, wool imported in the scoured condition. It is therefore plain that the equivalent clean-content duty can be very high despite this 45-cent limitation. On unwashed wool which has been skirted and which shrinks 50 per cent the duty would be equivalent to 60 cents per pound, clean content.

The importance of this joker can best be appreciated when we understand that practically all the wool for clothing imported into this country up to the passage of the emergency law was skirted wool. All previous laws levied a duty upon wool on the grease basis. The emergency law apparently followed that principle of levying a duty on wool on the grease basis, but by the injection of this clause practically doubles the rates. Thus the rate of 15 cents per pound on unwashed wool, because it is imported in the skirted condition, actually amounts to 30 cents per grease pound or, assuming a 50 per cent shrinkage, 60 cents per pound clean content.

Wool in the grease includes wool which is increased in value by the rejection of part of the original fleece.

"Skirting" is merely the removing of those parts of the fleece which contain extraneous matter, other than grease, for the purpose of decreasing the shrinkage of wool.

Because in the past the duty on wool has always been levied upon the grease basis the domestic importer has always brought in skirted wool in order to save payment of duty on extraneous matter, other than grease. The effect of the joker, therefore, is that for practical purposes the duties named in the emergency law are actually doubled and amount to an embargo.

#### RATE UNDER THE UNDERWOOD LAW.

Under the Underwood law all wool was admitted free.

#### RATE UNDER THE PAYNE-ALDRICH LAW.

Under the Payne-Aldrich law wools of the type in paragraph 1102—wool for use in clothing—were divided into two classes—Class I and Class II. The duty on Class I wool was 11 cents per pound on the grease basis, and on Class II it was 12 cents per pound on the grease basis. The great bulk of our imports of wool fall into Class I. This 11-cent rate on wool in the grease is equivalent to approximately 22 cents on the clean-content basis. Or, assuming that under a clean-content duty imported wool would not be skirted and would shrink 55 or 56 per cent, the equivalent of an 11-cent grease duty would be about 25 cents per pound, clean content. As a matter of fact, the foreign wools, if unskirted, would probably shrink less than 55 per cent on the average. In fixing the clean-content rate in paragraph 1102 at 33 cents per pound it is to be noted that the Senate amendment increases the duty 50 per cent over the rate in the Payne-Aldrich law; or, on the second assumption above, 33 per cent; or, in case of low shrinkage, more than 50 per cent.

#### INEQUITIES OF PREVIOUS LAWS GROWING OUT OF DUTIES LEVIED ON A GREASE BASIS.

Under the Payne-Aldrich tariff law and under previous protective tariff laws the duty on wool was a specific duty levied upon the grease basis. The inequitable results of such a duty are notorious in the wool trade.

Under such a system of duties it is obvious that there is a premium placed upon the importation of wool with a minimum shrinkage, for the lower the shrinkage the less duty which must be paid upon grease. The reason for importing low-shrinking wool under this condition is precisely the same as the reason for importing skirted wool—that is, any reduction in the amount of matter extraneous to the native fiber will lead to a saving in the amount of duty.

The result of all this was that those sections of the domestic wool-manufacturing industry which were forced to utilize high-shrinking wool were discriminated against in comparison with those branches of the industry which were able to use medium or low-shrinking wool. Inasmuch as the woolen branch of the industry—carded woolen manufacture—is more largely dependent upon the finer and higher shrinking wools than is the worsted branch, it follows that the effect of a duty levied upon the grease basis has been to discriminate against the carded woolen manufacturers and in favor of the worsted manufacturers.

Of course, the Democratic Underwood tariff, placing wool on the free list, eliminated this discrimination. The public protest, particularly against Schedule K, which followed the enactment of the Payne-Aldrich law was so loud and was such a powerful factor in the repudiation of that bill by the electorate in the election of 1912 that it can be safely asserted that this country will never return to the levying of duties on wool on a grease basis.

#### RECENT IMPORTS AND EXPORTS.

Mr. President, statistics show that after the passage of the emergency tariff law importations of wool dropped from 52,000,000 pounds in April and 80,000,000 pounds in March to 868,000 pounds in June and 656,000 pounds in July. August showed a jump to 3,000,000 pounds, while in September the importations fell back to 293,000 pounds. It is to be noted that importation figures here quoted are "general importations"—that is, they include both wool entered in bond and wool entered for consumption, or upon which the duty has been paid. Table 4 in the Tariff Commission's report on the operation of the emergency tariff law shows very clearly that practically all of these importations of wool since the enactment of the emergency law have gone into bonded warehouses. The outstanding feature of Tables 3A and 3B is that the emergency tariff law almost shut off the imports of Class I and Class II wool. It must be borne in mind, however, that we must import wool at any price in order to take care of our consumption. The Tariff Commission, in the same report, points out the fact that there has been some importation of wool for possible speculative purposes. Wool has been imported and stored in bonded warehouses on the assumption that this bill might establish a rate lower than that in the emergency law. It can be readily seen why this should be done. Without the joker above referred to, the duty on wool at 15 cents per pound on the grease basis would be lower on the average than would be the duty of 33 cents per clean pound, which is imposed in the Senate bill. But inasmuch as the skirted clause in the emergency tariff law makes the actual duty 30 cents per pound on the grease basis—which would be equivalent to approximately 60 cents per clean pound—it is apparent that the duty in the emergency tariff law is, for practical purposes, higher even than the 33 cents per pound duty in the Senate bill, though to the casual observer apparently much less. Consequently there has been of late a considerable importation of wool accumulating in the bonded warehouses, upon which it is expected that a lower duty may be levied under the proposed law. Of course, if there were any assurance that the emergency law would continue to operate over a long period, it is quite likely that the domestic purchaser of foreign wools would instruct his foreign clients not to skirt the wool, in order that the doubling of the duty might be avoided. But in view of the tentative nature of the emergency law it has not been feasible to carry out such a scheme, and the result has been that the actual rates applied have been double those contained in the emergency law. If the emergency law were to operate over a sufficiently long period, the skirting of wool shipped to this country would probably cease, as has been stated, and in this case the rates actually operative under the emergency law would be not far different from the rate of 33 cents per clean pound contained in the Senate bill.

Assuming that the average shrinkage of unskirted imported wool would be, say, 55 per cent, the duty of 15 cents per grease pound in the emergency tariff would be equivalent to about 33 cents per pound, which is the duty in the Senate bill. Some of the unskirted foreign wools will, of course, shrink more than 55 per cent; others less than 55 per cent.

Mr. BURSUM. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from New Mexico?

Mr. WALSH of Massachusetts. I yield to the Senator.

Mr. BURSUM. I desire to call the attention of the Senator from Massachusetts to the fact that there is a slight difference of opinion about this "joker" which he has been talking about. Of course, it is admitted that the rate of the emergency tariff was a higher rate than the rate which is now proposed. The emergency tariff provided for a rate of 45 cents. The rate on wool in the grease was 15 cents. The duty on skirted wools or washed wools or wools in any way improved through the process of manufacture or partial manufacture, altering the character of the fleece, was 30 cents; but the Senator is hardly fair about this "joker" proposition.

The truth of the matter is that it is the grower on whom the "joker" has been practiced from time immemorial. The producer has been led to believe, and those interested in cutting down the rate of duty on the wool have led Congress to believe, that 11 cents a pound duty, as provided under the Payne-Aldrich law, and as provided under nearly every other tariff that I can recall at this time, was intended to be 11 cents a pound on a whole fleece taken off the sheep, or wool in the grease. How did it work in practice?

Mr. WALSH of Massachusetts. I do not think there is any difference between us. What the Senator means to say is that

the American woolgrower all of these years has been selling unskirted wool, while the importer has been selling skirted wool. Is that true?

Mr. BURSUM. The importer has done this—

Mr. WALSH of Massachusetts. Is that a fact?

Mr. BURSUM. That is a fact, and here is where the American producer has been defrauded: He has not obtained the protection that the public believed he was obtaining. For instance, the duty would be 11 cents a pound. What would the importer do? He would eliminate the belly, eliminate the tags, eliminate the sides, and bring in the choice portion of that fleece, which would shrink all the way from 30 to 40 per cent. In place of bringing in 33½ pounds of wool, which was estimated when that duty was levied, for 11 cents, he would bring in 60 pounds of wool, and in some instances 70 pounds of wool; so that he was simply cutting down the rate of duty as intended by the makers of the bill at least 50 per cent, and thereby defrauding the producer of this country of the protection which was intended for him. I say that the joker has been in favor of the manufacturer, in favor of the importer, and it has been against the producer and the grower.

Mr. WALSH of Massachusetts. Mr. President, I do not think I differ very much with the Senator about the situation he has described. There is no doubt whatever but that the American-grown wool, because it was not skirted, shrank more than the imported wool, which was skirted, and therefore that the duty of 11 cents per pound on grease wool was not entirely and completely effective in giving to the woolgrower exactly 11 cents per pound more than he would have received if the wool that came in from Europe was not skirted.

Mr. LODGE rose.

Mr. WALSH of Massachusetts. I will yield to my colleague in just a moment. Anticipating a reduction from the emergency law in the present law, there have been imported large amounts of wool, which are held in bond and will be released when this new tariff law becomes operative, the wool importers figuring that it is better to hold it in bond and wait and see if they can get a less rate than they could get under the emergency law, because the emergency law was prohibitive.

I now yield to my colleague.

Mr. LODGE. I was only going to make the point that in my colleague's first statement I thought he made a little error, because there has come into the port of Boston since the 1st of January the largest amount of wool ever imported; but, of course, it is in bond, as my colleague says, awaiting the passage of this bill.

Mr. WALSH of Massachusetts. Yes, Mr. President, I have those figures before me, and while I am not going to take the time to read them, I do not think there is any disagreement between us that the emergency law has shut out the importations of wool which were immediately applied to commercial uses in this country, and that whatever importations have come in recently have been in bond and have been held in bond for the purpose of waiting for a change in rates.

Mr. LODGE. Over 100,000,000 pounds have come into Boston.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Utah?

Mr. WALSH of Massachusetts. In just a moment. Of course, that is to be expected. How could you expect the manufacturing interests in this country who, under the Underwood law, have been getting free wool, and who, under the Payne-Aldrich law, have been getting wool at 11 cents a pound in the grease, to meet now, in this time of great depression, a price of 30 cents on wool in the grease, or 60 cents on the cleaned content?

I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, I want to say that the so-called "joker" in the emergency tariff bill was put in there with full knowledge of what it really meant; and let me tell the Senator one reason why it was worded just as it was.

On March 18, 1922, a certain Philadelphia importer of wool undertook to bring in wool here classed as carpet wool, so that it would come in free, or, if not free, in clothing under the lowest rate of duty, and inside of those bales was the finest wool from South America. It happened to be detected. If it had not been detected, simply through one bale of wool having been torn and the wool showing, there would have been \$275,000 worth of wool imported into the United States, and the great bulk of that value would have been fine wool, and the Government of the United States would have been cheated out of every dollar of duty. I am quite sure that the Senator has heard of that case.

Mr. WALSH of Massachusetts. I have heard of that case.

Mr. SMOOT. That was on March 18 of the present year. That was after the emergency bill was in operation; and then they tried to rob the American Treasury of the amount of the duty by putting coarse carpet wools around fine wools from South America.

Mr. WALSH of Massachusetts. Mr. President, the Senator's suggestion leads me to the next proposition which I was about to discuss.

Mr. SMOOT. Mr. President, I do not want to be misunderstood in what I said. I do not want it thought that I have said that all importers would try to defraud the Government in this way. That is not so; but I do want to say that the importers have the brightest minds that there are in the United States, and they have taken the very best attorneys and the very best appraisers that the Government of the United States has educated for years and years. I am not blaming them if they can pick a hole in the wording of the tariff law; but they have these men at work, and that is what they are paid for, and if there is any flaw in the wording of any paragraph or any part of a schedule of any kind that can be turned to the disadvantage of the Government they are going to do it.

Mind you, if it is done lawfully, I have not a word of complaint about it. I think they are entitled to get the very best advice in the world, no matter whether the Government of the United States has educated their advisers or not. I am not objecting to that. But I do object to the importers using this method of fraud in order to cheat the United States out of dollars and cents.

Mr. WALSH of Massachusetts. I think we are all in accord with the Senator in that respect. Let me resume my argument.

#### FINANCIAL DIFFICULTIES OF THE WOOLGROWERS.

Mr. President, that the woolgrowers suffered severely in the great decline of 1920 and the depression of 1921 can not be doubted; but so did all branches of industry suffer, and so did the consuming public. During part of this period statistics indicate that from two to four million wage earners have been out of work.

That every effort should be made to improve the financial condition of the woolgrower all agree, but he should expect no more to be done for him by the Government through indirect taxation levied upon the consumer than those engaged in any other industry. He should not expect the great majority of our people to be burdened by taxation to a greater degree than at present solely for his benefit. He should bear in mind also that as a consumer he will have to pay an enhanced price for clothing for himself and family, and that the general increase in prices through the high protective tariff duties upon clothes and other necessities of life will increase accordingly the wages he will have to pay his help who will have to pay higher living costs.

There is a point where it is fundamentally uneconomic for a government to extend protection to an industry which yields as is claimed only meager returns to those engaged in it under extreme protection.

#### COST TO THE MANUFACTURER.

The production of wool in the United States during the past 40 years averaged very close to 300,000,000 pounds in the grease, which, with a shrinkage of 60 per cent, gives 120,000,000 pounds of clean wool. Imports of Class I and Class II wools—disregarding Class III, carpet wools—that will be required from abroad may be estimated as at least 106,000,000 pounds of clean wool per annum. This gives a total consumption of wool for clothing of about 226,000,000 pounds of clean wool per year.

Assuming that the duty fulfills its purpose of raising the value of domestic wools by the amount of the duty, the increased cost to the wool manufacturer—which will, of course, be passed on to the public, after further pyramiding—of the 33 cents a pound duty on clean wool will be \$72,600,000 a year.

Mr. President, let me ask my friends on the other side if they are prepared, in the face of the greatest depression in the history of this country, to say to the American people, "Congress has increased the price of your wearing apparel, of your blankets, of your overcoat, of your clothing"? Will you dare to pass such legislation, in view of all previous laws upon this subject, in view of the action of the House one year ago this very time, when the depression was greater, determining that the fair, just rate to all interests concerned was 25 cents and not 33 cents? Can you justify it? Can you expect a verdict of approval from the American people? Do you not know that there is no issue more effective than that which touches the individual? Do you not know that the statement of any public man on any platform in this country calling attention to the fact that you, as a United States Senator, voted to increase

the price of a suit of clothes \$2.50, the price of a dress \$2.50, the price of an overcoat \$5, is an argument which penetrates deep and has a decisive effect on election day?

It is amusing to hear men declare on this floor that increasing tariff duties does not affect prices and that putting articles upon the free list does not reduce prices. I ask, What are tariff duties for? Is there any difference between the free list and a protective duty, and if there is, is it not this, that products on the free list ought to permit prices to be forced down, and not up, while articles which bear a protective duty, in the natural course of events, would reflect increased prices? Yet Senator after Senator on this floor has had the hardihood to say at one time or another that high protective duties do not reflect increased prices, and then, in another breath, to say that the putting of articles on the free list does not lower prices.

No man has said that more effectively than the distinguished Senator from Utah. He always tells you that the retailer and the manufacturer are going to get theirs anyway, regardless of tariff duties. Yet we sit here making assertions of reckless and scandalous profiteering and declare we are powerless. The people will not take that answer from us any longer. The people are not going to permit us to cloak and hide our responsibility to keep their taxes and their cost of living at a low level by assertions of that kind.

Mr. President, I will discuss now the objections to the use of the brackets in paragraph 1102.

The House bill based the duty on raw wool, other than carpet wool, upon the clean content. The Senate bill substitutes for this an elaborate sliding scale of duties based on wool in the grease and graduated by steps according to the shrinkage.

Beginning with the highest shrinking wools—those shrinking more than 93 per cent upon which the duty is 1.6 cents per grease pound—the duty is graduated upward by 1 cent per grease pound for each decline of 3 per cent in the shrinkage.

The entire scale of duties is worked out in such a way as to approximate 33 cents per pound on the clean content of wool. The elaborate scale of brackets covering nearly three pages in the Senate bill, when translated into plain English, simply means that the duty on clean wool shall be approximately 33 cents per pound. By camouflaging the duty in this manner, however, it is made to appear much lower than 33 cents per pound.

If the only objections which could be urged against this scheme were that it is intended to deceive the public and that it consumes an unnecessary amount of space in the bill, it would not be so serious; but the sliding-scale system is peculiarly objectionable, because it can not be administered in such a way as to avoid constant litigation. Litigation will arise from the fact that whenever the test of the imported wool shows a shrinkage slightly less than the amount required for classification in the next higher bracket—where the duty would be 1 cent per grease pound lower—the importer will be strongly inclined to protest the classification.

To take an illustration: Suppose that the examiner figures the shrinkage of a given importation of wool at 59.4 per cent. The wool would then be dutiable at 13½ cents per pound, because it falls within the bracket which covers wool shrinking more than 57 per cent and not more than 60 per cent. Obviously, if the importer can prove that the shrinkage is 60.1 per cent instead of 59.4 per cent, he will be able to save 1 cent per grease pound on the shipment, because in such case it would be dutiable at 12½ cents under the bracket which covers wool shrinking more than 60 per cent and not more than 63 per cent.

Let us carry the illustration further. The difference between the estimates of shrinkage in the above illustration is seven-tenths of 1 per cent. Under a straight clean-content duty of 33 cents a mistake of 1 per cent in estimating the shrinkage would amount to one-third of 1 cent per grease pound; a mistake of seven-tenths of 1 per cent would, therefore, amount to seven-tenths of one-third cent, or seven-thirtieths of 1 cent. Under the Senate bill the same mistake in estimating the shrinkage would amount to 1 cent per grease pound. On a shipment of 500,000 pounds of wool in the grease the duty involved in a mistake of seven-tenths of 1 per cent in estimating the shrinkage would amount under the straight clean-content duty of 33 cents to 500,000 times seven-thirtieths of 1 cent, or \$1,166.66; but under the bracket system in the Senate bill it would amount to 500,000 times 1 cent, or \$5,000.

Nor is this all. Under the Senate bill the amount of duty involved in a mistake in estimating the shrinkage will be much greater for the importer of high-shrinking wool than for the importer of low-shrinking wool who brings in the same amount in clean equivalent. Both importers would have 1 cent per grease

pound at stake; but 1 cent per grease pound is a more serious matter for the importer of high-shrinking wool than for the importer of low-shrinking wool—that is, if the examiner's estimate runs against rather than in favor of him. If it runs in his favor no litigation will ensue, but if it runs against him the incentive to protest will be particularly strong.

Mr. SMOOT. As far as I am concerned, I would just as lief not have the brackets, and perhaps I would a little rather have it that way.

Mr. WALSH of Massachusetts. I am very glad to hear that. I ask the Senator if there is any likelihood of there being an amendment changing that feature?

Mr. SMOOT. I can not say as to that. So far the committee has not agreed to any amendment along that line. I only expressed my personal view when I stated to the Senator what I did. Yet I want to say frankly that there is one reason why it would be better in brackets; but I think the other reasons overbalance that. When we discuss this later I will frankly state to the Senator what they are.

Mr. WALSH of Massachusetts. At another time we will discuss that feature of the sliding scale suggested in the committee amendment.

Mr. President, if I may proceed I will now discuss the subject of production.

Mr. President, the production of wool has not materially increased in the United States in the last 40 years. Our production averages very close to 300,000,000 pounds per year. Our consumption has averaged—1 quote from the Tariff Commission's report on the emergency tariff—in recent years, owing to the unusual war-time demands, from 600,000,000 pounds to 800,000,000 pounds. Of this amount, about 300,000,000 pounds were produced in the United States and 400,000,000 pounds imported. For a series of years before the war, out of a total consumption of about 525,000,000 pounds per year, 300,000,000 were grown in the United States. (See Table 1 in the aforementioned report.) It is to be noted from this table that the percentage of foreign wool consumed in 1921 was about 53 per cent. During the war it was as high as 65 per cent. Prior to the war it was about 40 per cent.

Let me show you what the record of production in this country has been. I want to say to the Senator from Montana [Mr. WALSH] that I hope he was not misled by what the Senator from Utah said, for the Senator from Utah is a very able and very clever man and he has the rare ability to state one fact which proves the thing which he then wants to demonstrate, omitting another fact which would quite change the conclusion one would arrive at.

Mr. SMOOT. It is unintentional.

Mr. WALSH of Massachusetts. The Senator very cleverly stated that the number of sheep in this country had decreased. What would one take that mere statement to mean except that the production of wool had decreased? Would one not take it to mean that, when we were discussing and considering wool? He said that the number of sheep in this country had decreased 50 per cent. He told the Senator from Montana that.

Mr. SMOOT. Does the Senator doubt that?

Mr. WALSH of Massachusetts. I say to the Senator that I do not care how much smaller the number of sheep in this country is, the fact is that the production of wool has not decreased 50 per cent, or anywhere near that. Am I correct about that?

Mr. SMOOT. Of course, there is a finer grade of wool grown, which makes more pounds of wool per head to-day than when we had 67,000,000 head of sheep. I thought everybody knew it. There was no intention in my mind of misleading anyone.

Mr. WALSH of Massachusetts. The Senator was trying to show how this industry had suffered and how much it had slid back; that the number of sheep had decreased 50 per cent, and that therefore we must appreciate that the industry was gradually getting less and less able to take care of its former production. The cold facts are that there has been practically no decrease in the production of wool. I do not care whether wool comes off the backs of 10 sheep or 3 sheep, the number of pounds to-day is about the same as it has been in the last 40 years. Will the Senator agree with that?

Mr. SMOOT. I think it is a little less. It is easily understood, and I thought every Senator understood, that in the years we were speaking of every sheep man kept his lambs, and his lambs were counted the first year in the increase in the number of sheep in the United States. To-day that is all changed. The lambs go to the market, with the exception of enough lambs to keep the ewe herd alive. Years ago we used to have wethers, and kept the wethers until they were 2, 3, and 4 years old, and that is where we used to get our wool from.

It is entirely different now. We run ewe herds entirely, and the only lambs that are saved from the market are enough lambs to keep the ewe herds alive and up to the standard.

Mr. WALSH of Massachusetts. I called attention to that because I thought the Senator from Montana [Mr. WALSH], who was talking about the production of wool, would gather from the statement made by the Senator from Utah that our production had decreased 50 per cent.

Mr. SMOOT. The Senator from Montana knows the situation just as well as the Senator from Utah.

Mr. WALSH of Massachusetts. I think both the Senator from Utah and the Senator from Montana have the advantage over me in knowing more about the wool-growing industry than I do. But, as I said in the beginning, plenty of statistics are available for one who wants to be informed upon the subject. But let us now consider a comparison of domestic production and domestic consumption.

For 16 years under Republican control before 1913 there was a duty of 11 cents per pound on grease wool, which practically never amounted to less than 30 per cent ad valorem, and frequently exceeded 100 per cent. Scarcely had the Democratic Party placed wool on the free list when the war broke out and prices were raised to such a level that, for the growers of wool at least, the result was even better than under Republican protection.

Under such favorable circumstances one would suppose the wool industry of this country would have flourished and the domestic production increased. The plain truth is that domestic production has not increased, and, for one reason or another, it would appear that this country is not as well suited to wool growing as to other industries, and that even high protective tariff duties have not resulted in the development of this industry to the extent of taking care of only about one-half of our domestic consumption.

In 1891 this country raised 309,474,876 pounds of wool; in 1895, 294,296,296 pounds; in 1900, 288,656,621 pounds; in 1905, 295,488,438 pounds; in 1910, 321,362,750 pounds; in 1915, 288,777,000 pounds; in 1920, 260,270,000 pounds; and in 1921, according to the best available figures, the clip fell to 240,000,000 pounds. Our per capita domestic consumption decreased from 6.16 pounds in 1884 to 2.9 pounds in 1921.

We are forced to go into the markets of the world to buy from 40 to 50 per cent of our annual consumption. A fair average annual consumption of scoured wool would be in the neighborhood of 220,000,000 pounds, and our domestic clip is now about 120,000,000 pounds of scoured wool, leaving 100,000,000 pounds to be imported.

In view of our needs and the failure of the wool industry to keep pace with the increased demand for wool or show any material growth during the last 40 years, how can we justify an increase in the protective tariff duty on wool over 50 per cent above the highest duty heretofore levied?

Mr. WALSH of Montana. Mr. President—

Mr. WALSH of Massachusetts. I yield to the Senator from Montana.

Mr. WALSH of Montana. The Senator is quite right that the production of wool in this country has remained practically stationary. I perhaps did not speak accurately. I was referring to the number of sheep. The number of sheep in the country diminished from about 64,000,000 in 1903 to about 45,000,000 in 1921, but the sheep bear more wool, so that the production has remained practically stationary.

Mr. WALSH of Massachusetts. I ought to say to the Senator that even the Department of Agriculture had some doubts about the accuracy of their figures with reference to the industry. Undoubtedly the fact is that there has been some decrease, but I think there is a good deal of confusion about the accuracy of the figures.

Mr. WALSH of Montana. There can be no doubt about it. I may say there has been a very substantial decrease. There has been a decrease of at least 50 per cent in my own State, and the conditions there obtaining likewise prevail to a greater or less extent throughout all the western country. That is by reason of the fact that the open range is being appropriated as a result of our industries being changed from pastoral to agricultural.

Mr. WALSH of Massachusetts. It is in this country somewhat of a pioneer industry. There is no question about that.

Mr. WALSH of Montana. There is no doubt that similar conditions are operative—I know them to be operative, in fact, all over the western portion of the country. I have no doubt that they are equally operative in South America, in the Argentine, in Australia, and to a greater or less extent in South Africa.

The last report we have from the Tariff Commission on this subject, just out, has the following to say on the subject:

Owing to extensions in the area of cultivated land and to competition of cattle with sheep, the number of sheep had been declining fairly steadily for a long period prior to the war. Wool production, however, had remained about stationary, owing in part to breeding and selection for heavier fleeces within breeds, particularly in the case of merinos, and in part to the rapid adoption of crossbreeding for mutton production, which also gave heavier fleeces.

I rose to emphasize the point the Senator is making that, despite the long period in which this industry has been protected, the number of sheep in the country continues steadily to decline, but it continues to decline by reason of the conditions which surround the industry.

Mr. SMOOT. This tells the story, I will say to the Senator: In 1901 the average weight per fleece was 5.06 pounds. In 1902 it was 5.10 pounds. In 1903 it fell to 4.49 pounds per fleece in the United States. That can be accounted for by the fact that that was a very wet year, and when it is a very wet year the fleeces, particularly of the western wool, are very much lighter in weight. Then it began to increase. In 1904 it was 5.65 pounds per fleece; in 1907, 5.60 pounds; and in 1921 it had increased to 7.28 pounds. That is why the number of pounds of wool remains about the same.

Mr. WALSH of Massachusetts. I am glad to have that information from the Senator, because I thought the Senator was contending that there had been a decrease in the production of wool.

Mr. SMOOT. There is a decrease in the pounds of scoured wool, because the finer the wool and the heavier the fleece the greater the shrinkage in the wool. We could take the 272,564,000 pounds of wool in 1921, with an average fleece of 7.28 pounds, and would not get the same amount of scoured wool out of that many pounds that we would out of the 287,000,000 pounds in 1903, when the fleece weighed but 4.49 pounds. In other words, so far as pounds were concerned, the scoured wool in 1903 was very largely in excess of what the 272,000,000 pounds would have produced in 1921. I should think as to shrinkage there would be at least 20 per cent difference in the two cases.

Mr. WALSH of Massachusetts. Mr. President, the only purpose of my argument was to call attention to the fact that with what people considered high protection and with a long period of protection this infant industry has not expanded, is not able to take care of the demands of the American people, and we must to-day import 40 to 50 per cent of all the wool consumed by the manufacturers of the country. There has been a steady increase in the amount of wool which it is necessary to import. Yet in the face of that history it is seriously proposed to us here to increase by 50 per cent the rate of duty over that enjoyed under the Payne-Aldrich law and to burden the American people, who must go into the world's market for their wool, with a higher rate of duty than ever before. Where are we going to stop? Five years from now, when the figures show a further decline, the woolgrowers will be asking a duty of 40 cents. Ten years from now, when we must import 60 per cent instead of 40 per cent, or 70 per cent instead of 45 per cent, they will be here asking for a duty of 50 cents. It is now over 100 per cent ad valorem, measured in terms of value.

Mr. SMOOT. Of course the Senator does not want the statement to stand that the average rate in equivalent ad valorem is 100 per cent on 33-cent wool?

Mr. WALSH of Massachusetts. No; I did not mean to say that, but I do say that there are classes of wool where it amounts to that. Perhaps not all of the wool, but some of the wool that goes into clothing pays that rate of duty.

Mr. SMOOT. Very little of it, I will say to the Senator.

Mr. WALSH of Massachusetts. But it approaches very close to 100 per cent.

Mr. SMOOT. It is 1 per cent of the consumption in the United States.

Mr. WALSH of Massachusetts. Wool that comes into this country in clothing must bear a duty of 33 cents a pound, and that, measured in terms of the value of the wool and the duty, approaches figures amounting to almost 100 per cent, varying from 50 to 100 per cent.

Mr. President, it is proposed to give this industry a further opportunity to develop, though all the progress of the United States, by reason of its expansion and agricultural development in the West has not resulted in the expansion of this industry. It is proposed to require the American people to pay even more than ever before for the wool which is used for blankets, for sweaters, for dresses, for suits, for overcoats—to pay more to try to lead the woolgrowers in different parts of the country to increase the production of wool. There can be no

other explanation. There can be no justification for such high tariff duties unless it is based upon the belief that the industry can be made to grow, can be made to take care of our demands and to take care of them at a reasonable price. But there is a point where it is uneconomical for a government to tax its people with high protective duties, and we have reached that point in wool. This bill will make the burden so excessive that the American people can not and will not bear it.

Mr. President, there is another aspect of this question I will proceed to discuss.

#### TENDENCY OF HIGH PROTECTIVE DUTIES TO CREATE TRUSTS.

Mr. President, the high duties which have been levied upon raw wool and the iniquitous protective duties levied upon wool manufactures have, together with a tendency toward centralization, resulted in destroying individual initiative and have resulted in the consolidation of the wool industry in the hands of a few.

According to the census the capital invested in the wool manufacturing industry increased from \$258,000,000 in 1899 to \$450,000,000 in 1909. Yet the extent to which the number of manufacturing units decreased is astounding. In 1869, according to the census figures, there were 3,280 establishments engaged in manufacturing wool; in 1879, 2,330; in 1889, 1,693; in 1899, 1,414; in 1905, 1,213; in 1910, 1,124; and in 1915, 979. All this indicates that individual manufacturers were driven out of business, not by foreign competition, for there were no imports, but by excessive protective tariff duties, which tend to promote the creation of private monopolies. Unreasonably high protective tariff duties tend to promote profiteering; to encourage industrial gambling and speculation; to destroy private enterprise and ultimately lead to the creation of monopolies.

During these years of high protective duties the American Woolen Co. has merged over 50 large independent companies into its organization, and now controls over 25 per cent of the domestic production of woolen and worsted cloth. It also fixes the prices; that is, the trade waits for this company's semi-annual announcement and follows the prices named by this organization.

Mr. President, what has destroyed these individual units? It was not foreign competition, for there was none. The individual manufacturing units of this industry were destroyed under protective tariff duties of the very highest kind; protective tariff duties that were so offensive to the American public that they led to the complete repudiation, defeat, and ejection of the Republican administration in 1912.

Mr. GOODING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Idaho?

Mr. WALSH of Massachusetts. I yield.

Mr. GOODING. I should like to ask the Senator if he thinks had Roosevelt been nominated in Chicago there would have been a defeat of the Republican Party, or that if there had been only one candidate nominated instead of two the Republican nominee would have been defeated?

Mr. WALSH of Massachusetts. There were two candidates nominated by the Republicans of this country because of the tariff, because there was a group of Republicans who were determined to protest the rates of duty which had been levied in the Payne-Aldrich law, who left their party because they wanted to register a protest against the extortions practiced upon the American people through that iniquitous tariff law and the control of the party by reactionary leaders.

Mr. GOODING. That is the first time I have ever heard that statement made. I remember the circumstances surrounding the Chicago convention; there was a division between two contending forces. It was not over the tariff, but it was between two men; that is about all; nothing more and nothing less.

Mr. WALSH of Massachusetts. I do not know of any Senator on this floor who has indirectly more severely denounced the Payne-Aldrich law than has the Senator from Idaho who has just spoken. He has denounced the manufacturers as getting everything out of that law, stating that they had the big end of it. The only time that the manufacturers had the big end was under the Payne-Aldrich law, because wool has been free since 1913. Yet the Senator now stands on the floor and asks me a question which would lead me to believe that he thinks the Payne-Aldrich law was all right.

Mr. GOODING. No. The Senator from Massachusetts has not any right to think that at all. I merely said that it was not the tariff question which divided the Republican Party in 1912 at all. We have always been a unit on that on all occasions. So far as the principle of protection is concerned, I do not think there was a difference to any great extent in the two platforms

adopted in that year; both stood for protection. I agree, however, that the Payne-Aldrich law was not right.

Mr. WALSH of Massachusetts. I am glad to hear the Senator say that.

Mr. GOODING. That law was an outrage—there is not any question about that—so far as the wool duties were concerned and so far as the compensatory duties were concerned. That is not only true of the Payne-Aldrich law but is true also of the Dingley law, in which that clause was first inserted. I denounce that legislation now; I have always denounced it; and I expect to continue to denounce it. It is for that reason that it is now changed in the pending bill to a scoured basis; so that the importers can not now take off all the heavy parts of the fleece and merely bring in the light wool. However, I shall not take up the Senator's time to discuss how well they did the job; how, instead of bringing in wool shrinking 66½ per cent, they brought it in shrinking 40 per cent. It is too long a story with which to take up the Senator's time, and he is very kind to have yielded so long.

Mr. WALSH of Massachusetts. The Senator from Idaho has admitted that the Payne-Aldrich law was an outrage. I give him credit for having sufficient respect for the judgment of the American people to believe that they would repudiate its outrageous provisions in the first election that followed its enactment.

Mr. GOODING. The point I make is that in the campaign of 1912 the tariff was not the issue, but there was an issue between two men.

Mr. WALSH of Massachusetts. I am not going into the history of the campaign of 1912, but everyone ought to know that one of the great issues of that campaign was Schedule K; and perhaps no feature of any tariff bill has ever been so much discussed upon the public platform and in the press as was Schedule K in the campaign of 1912. Ex-President Taft will not agree with the Senator from Idaho that Schedule K was not an issue in 1912.

Mr. SMOOT. Mr. President—

Mr. WALSH of Massachusetts. I yield to the Senator from Utah.

Mr. SMOOT. The Senator has stated the number of mills in the United States, the number showing a decrease. I presume he has the figures as to the number of spindles now in operation in the United States. Those figures will show an increase.

Mr. WALSH of Massachusetts. I have stated that there was a very substantial increase in the capital invested in the industry, and I gave the figures showing such increase; there is no doubt the industry has grown; but what I am saying is that protective tariff duties tend to lead to the creation of monopolies and of trusts and tend to drive the little fellow out of business; and the figures which I have given are some contribution to that conclusion.

Mr. SMOOT. I can not agree with the Senator as to that, because it is a question of principle that the little fellow, if he has protection, can live, and if he does not have it he can not live. However, I will not interrupt the Senator further.

Mr. WALSH of Massachusetts. Mr. President, to such an extent did these industries consolidate that under these high protective duties the American Woolen Co., as I have heretofore stated, which now produces 25 per cent of all the dress and woolen goods manufactured in this country, consolidated 50 separate independent factories into one of the largest and most prosperous organizations in this country.

Mr. SMOOT. And I will say to the Senator that the great growth of the American wool industry, as to the amount of capital invested, came during the time when we had free wool.

Mr. WALSH of Massachusetts. I think undoubtedly the American Woolen Co. made large sums of money during the war, at which time wool was being admitted free.

Mr. SMOOT. I had reference to the consolidations.

Mr. WALSH of Massachusetts. I beg the Senator's pardon. I will give the Senator the figures on Monday. Fifty great plants, many of them located in communities with which I am personally familiar, some in my own State and others in various portions of New England and other sections of the country, have been consolidated, and I venture to say that nearly all of them were consolidated before 1914, when free wool became operative.

Mr. SMOOT. I refer to the whole United States.

Mr. GOODING. Mr. President, I should like to call the Senator's attention to the fact—and it is very kind for him to yield so frequently—that this is the age of centralization everywhere and in every industry; there is no exception to that

rule, so far as I know. It is true of the steel industry and it is true of every other industry; there can be no question about that. It is an era of centralization and organization.

Mr. WALSH of Massachusetts. But it is a significant fact that the movement toward consolidation and high protective tariff duties have gone together.

Mr. President, I am not going to take up any more time. The many interruptions during the course of my remarks have led to the prolongation of my argument. I simply wish to state that I may desire to resume the floor for a short time on Monday—for I assume there will not be a vote taken to-night—in order further to enlarge upon what I have said to-day.

Mr. President, I desire to make the following conclusions by way of—

#### RECAPITULATION.

Mr. President, the foregoing discussion clearly shows:

(1) That the rate of 33 cents per clean pound on wool is the highest ever levied in any tariff law, excluding from consideration the joker clause in the emergency law.

(2) That the rate of 33 cents per clean pound of wool is 50 per cent higher than the average rate in operation under the Payne-Aldrich law, and on certain grades of wool where the shrinkage is low it is considerably more than 50 per cent higher.

(3) That the rate of 33 cents per clean pound of wool is at least 33 per cent more—in some cases even higher—than that named in the House bill.

(4) That the bracket sliding scale of duties through which the rate of 33 cents per clean pound of wool is levied is objectionable because it is deceptive and can not be administered in such a way as to avoid litigation.

(5) That the domestic production of wool, notwithstanding high protective duties, has not increased and that it is now necessary to import from 40 to 50 per cent of the domestic consumption.

(6) That the cost to the wool-manufacturing industry of the 33 per cent duty on raw wool will be \$72,600,000, which, when paid by the consumer, after pyramiding, will approximate \$200,000,000—which figure excludes the increased cost to the public by reason of the manufacturers' protective duties.

(7) That high protective duties in the wool-manufacturing industry has tended to decrease the number of individual manufacturing units and promote trust control of the industry.

Mr. McCUMBER. Mr. President, the Senator from Massachusetts has reiterated time and again the declaration that Congress has increased the cost of the coat which is worn and has increased the cost of blankets. On what basis does the Senator from Massachusetts say that Congress has increased the cost of coats or blankets? Where is the beginning? Under the days of free wool or under the emergency tariff act? Did Congress increase the cost of the coat when the cloth of which a coat is made in April, 1920, brought \$5.85 a yard? There was not one penny of duty on wool at that time. Did Congress make that price \$5.85 a yard, or did it not? To-day, with a duty of 45 cents a pound upon the scoured content of wool, the same cloth is sold for \$2.50 a yard. Did Congress make the price \$5.85 in the first instance, and did it make the price \$2.50 in the second instance, or did the trade, the business, make the prices? If it were a fact that free scoured content wool results in the production of a cloth costing \$5.85 per yard and that a duty of 45 cents a pound insures a cloth costing only \$2.50 a yard, it seems to me, then, that we ought better put on a duty and lower the price.

But, Mr. President, let us be honest in the discussion of this question. The man who manufactured and sold that article at \$5.85 sold it for that price because he could get it. The manufacturer who is selling that same article for \$2.50 a yard to-day is selling it for that price because he can not get any more. That is all there is to it, and it demonstrates two things: First, that the tariff has had no effect in fixing the price of that yard of cloth; and, secondly, that the price was fixed by the amount the trade would bear.

Mr. President, the tariff did not add to that. You talk about raising the price of woolen goods. The duty to-day is 45 cents a pound upon the scoured content of the wool. The duty under the pending bill is 33 cents a pound, or 12 cents a pound less. Then, in God's name, how can any man claim that reducing the tariff 12 cents a pound upon the scoured content is going to increase the cost of woolen goods?

It is not going to affect the price of the woolen goods. The price of those goods is coming down. It is bound to come down. It comes down in a single month. For instance, let us take July of 1921. The same product sold for \$2.72 at that time. In February, 1922, it sold for \$2.50. The emergency tariff law went into effect on the 27th day of May, 1921. It did not stop the downward course of the price of these goods. It fol-

lows the economic law of supply and demand, and supply and demand always means the measure of the pocketbook that is to make the purchase. That is the thing which determines the prices. When the manufacturer finds that he can not sell that article for \$5.85 any longer, he begins to lower the price, and he keeps on lowering it until he can sell it, until somebody will take his product. The tariff duty had practically no effect; otherwise, it would have been cheaper with no tariff upon it than it would with a tariff of 45 per cent, when, as a matter of fact, it was twice as much when there was no tariff on the wool itself.

Mr. WALSH of Massachusetts. Mr. President, the Senator was talking about prices at a normal time and at the present time when there is a very great depression in the country.

Mr. McCUMBER. Yes; that is right.

Mr. WALSH of Massachusetts. Does the Senator argue that tariff duties will have no effect upon prices in the future?

Mr. McCUMBER. I am arguing that the condition of the country is the thing that will determine the prices.

Mr. WALSH of Massachusetts. And not tariff duties?

Mr. McCUMBER. Tariff duties ordinarily will have some effect; yes. It was an abnormal spending time in 1920 that made that excessively high price. The freedom of those goods from a tariff duty upon the wool did not seem to keep down the prices, and the placing of the duty will not drive the price beyond what the public will be willing to pay for those articles, and it will not stop close domestic competition.

It is true that the manufacturer took advantage of the 1909 tariff law, and when he was given a differential on the basis of 33 cents per pound on the scoured content he only paid the difference in the tariff to the extent of an average of 18 cents per pound. We will admit that, and, measured by that, you can say that this is a raise in the tariff, but if he had paid what he was supposed to pay and the farmer had gotten the benefit of the full 11 cents a pound upon the grease wool, and the manufacturer had paid 33 cents upon the scoured content, then he would have been paying the same duty that we are fixing here to-day.

Mr. POMERENE. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Ohio?

Mr. McCUMBER. I yield.

Mr. POMERENE. What the Senator has said has interested me very much, but my correspondents, merchant tailors in Ohio, have written me that within a few days after the pending bill was reported to the Senate the American Woolen Mills sent out notices advancing the price of all their woollens from 10 to 45 cents per yard, and within the last 30 days—possibly a little longer than that—I have been advised by some of these same people that there was another advance of 10 to 45 cents a yard. Is that correct or not?

Mr. McCUMBER. If that is true, it verifies exactly what I have been saying, namely, that the price will be fixed by the demand and the condition of the country rather than by the tariff. We have not changed the tariff, and if we do change it it will be changed downward and not upward. Therefore that is not an excuse.

Mr. POMERENE. Mr. President—

Mr. McCUMBER. Let me answer the Senator fully.

Mr. POMERENE. All right.

Mr. McCUMBER. What is the fact? Conditions are picking up a little. I will not say what the cause it. I will not say that it is in anticipation of a protective tariff, because that would bring up a question on which we might differ; but it is admitted that conditions are picking up and people are beginning to spend more, and the moment the manufacturers and others notice that they begin to raise the prices to see if they can not get a little more for their products. It is on the same principle that this importer and manufacturer of goods said that if this tariff bill went through he would have to raise the price of his coats \$4.50 and the price of his overcoats \$7.50, notwithstanding the fact that this tariff bill reduces the duty per pound of scoured content 12 cents per pound.

Mr. POMERENE. Mr. President, of course I would be less than candid if I did not say that supply and demand to some extent control these prices; but I do not think—and I say this with all due respect—that the Senator's answer is a complete answer. It may be that these prices were tremendously high, as we all know they were. It may be that they had some thought that these tariff duties on the manufactured product as well as upon the raw material might have been increased or might have been decreased, and it may be that they were not decreased as much as they thought. To say that that has had no influence, however, is something that I can not accept.

Mr. McCUMBER. I do not say that. On the contrary, I said that, of course, it has some influence.

Mr. POMERENE. I am glad to hear the Senator make that statement.

Mr. McCUMBER. I said that a moment ago; but it is not the real, governing thing that fixes the prices.

There is another matter that I want to ask the Senator from Massachusetts to consider for a little while. I do not ask him to answer it now. The sheep industry in this country, according to those who are best qualified to speak upon the subject, has decreased enormously in the last 12 or 15 years. The Senator from Wyoming [Mr. WARREN], who has been in that industry for years, tells me that the number of sheep in the United States in 1909—I think that was about the highest peak—was about 60,000,000, and that it is now about 35,000,000. The industry is about 45 per cent dead.

Mr. WALSH of Montana. Mr. President—

Mr. McCUMBER. In just a moment I will yield to the Senator. Do you want to save it? If it is 45 per cent sick and there is 55 per cent of a living chance, do you want to give it the living chance by whatever tariff is necessary to uphold it?

I yield to the Senator from Montana.

Mr. WALSH of Montana. Mr. President, I rose merely to give the accurate figures from the Department of Agriculture.

Mr. McCUMBER. I will correct the figures after the Senator gives them to me.

Mr. WALSH of Montana. The peak was reached in 1903, when the number was 63,965,000. For 1920, the number is given as 45,067,000.

Mr. McCUMBER. Mr. President, it is not the same relation, but I am informed that the difference lies in this fact: You send out your officials to get the number of sheep. Sometimes, in some seasons of the year, they count the lambs. They are pretty good-sized. In the next spring they will not count the lambs because they are so small, and they count only the grown sheep, and the records therefore do not agree. So I have tried to get from those who are in the business, taking a particular month in the year when the lambs are about the same size, the total number of sheep that year in the United States and then the number in the corresponding month of a year 10 or 15 years after that. In that way they ought to have it pretty accurately; and they tell me that it ranges not quite as high as the 63,000,000 that the Senator has given, but from about 60,000,000 at the highest down to about 35,000,000 at the present time.

Mr. WALSH of Montana. Mr. President, I interpose to say that I do not think there are any figures more accurate than those furnished by the Department of Agriculture, nor do I think there is any source of information on the subject that is more accurate. It is undoubtedly true, and the department doubtless will admit, that their figures are not accurate. Indeed, the schedule shows that at every census the figures are revised, sometimes revised upward and sometimes revised downward, reaching back to 1870; but these figures, I think, must be accepted as being as accurate as any that can be secured.

Mr. McCUMBER. Let us suppose that that is accurate, and that the industry is 60 per cent alive: Should we bring it back to 100 per cent of good, healthy condition? I believe it is for the interest of this country that we do so.

Mr. WALSH of Montana. Mr. President, if the Senator will pardon me, the Senator from Massachusetts [Mr. WALSH] has been arguing—but the Senator from North Dakota has not been present all the time—that our efforts in that direction in the past by high protective duties have not resulted in the increase that is to be hoped for; and he argues that we could not reasonably expect, accordingly, that the increase which is obviously to be desired would result from these high duties. Does the Senator take a different view of the matter?

Mr. McCUMBER. I think that a good rate of duty, which will allow the farmers living in parts of the country where the price of land is quite high to raise a few sheep in addition to their other farming business, will tend to increase the number.

Mr. WALSH of Montana. It has not in the past, though.

Mr. McCUMBER. We have had some pretty hard times for the sheep industry in the past.

Mr. WALSH of Montana. The last two or three years have been pretty severe.

Mr. McCUMBER. They certainly have. The industry in my State has been going down, because land is so high that we can not afford to pasture our sheep upon it. If the sheep industry should be more valuable in some sections of the State

it could be continued, but if it is going down it can not be continued.

Mr. WALSH of Montana. But the argument of the Senator is that the production is going down because of conditions entirely unrelated to the tariff, and that the tariff does not seem to help.

Mr. McCUMBER. I do not think that is wholly true, Mr. President. I think in States like Ohio, Kentucky, the Virginias, and the Carolinas, where they raise a considerable number of sheep, they will raise a greater number if it will pay them to raise them. Those are good agricultural States.

The whole question, in a nutshell, is this: Should we give the farmers 33 cents per pound protection on the scoured content of their wool? If we should, that will be the basis of all the other duties. I think they are entitled to it. They should have had that in the act of 1909; it was intended that they should have it. They did not get it, but they will get it under this act.

If we increase that rate to 33 cents a pound we will have to give a compensatory duty, of course, upon the products of the woolen mills. We have tried to give that in a way that would exactly measure the 33 cents a pound upon the scoured content, after making due allowance for the waste.

In addition to that we have given a duty for protection, and that seems to me to be the whole question: Have we made the protective rates too high?

I think not. As I stated, the ad valorem on the manufactured product will be very much below that of the Payne-Aldrich law. It should not increase, but ought to decrease the cost of all woolen fabrics.

This is a beautiful piece of cloth [exhibiting]. I went without a new suit of clothes just as long as I could, but finally had to get one the other day, and I know the cloth is not as heavy or as good as this sample, which is quoted at \$2.50 a yard. Yet I paid \$90 for the suit I just bought. It takes 3½ yards to make a suit, and the price of the suit I bought was \$90. With some tailors they run as high as \$100 or \$125. The little duty upon the cloth is a bagatelle compared with the labor cost and the overhead costs in the cost of a suit of clothes.

Mr. SMOOT. I notice in the New York World of July 22, and also in the other New York papers, headlines like these:

Eighteen-million-dollar blow to farmers seen in tax on arsenic—Tariff bill enables Guggenheims to collect toll—Calls it menace to war on boll weevil in South.

Referring to a statement of the senior Senator from South Carolina [Mr. SMITH], I hardly think that is fair to the American people. I have before me the Tariff Commission's summary, and I want to show now just what the production of this product is in the United States, the amount imported, and the total value of the product. On page 17 of the Summary of Tariff Information the Tariff Commission make this statement:

Description and uses: Arsenious acid or white arsenic, the most important and the commonest form of arsenic in commerce, is an acid anhydride rather than a true acid. It is also known simply as "arsenic" or as arsenic trioxide. Arsenious acid is a white insoluble powder with a slightly metallic taste and vaporizes without melting when heated in the open. Arsenic acid is chemically different and is obtained by oxidation of white arsenic. It occurs in commerce as a true acid, a thick sirupy liquid packed in steel drums, and in the form of the acid anhydride—arsenic pentoxide, which by the addition of water forms arsenic acid. Both of these acids, as well as all soluble salts of arsenic, are extremely poisonous.

Arsenious acid is used in the manufacture of insecticides, chiefly lead and calcium arsenates, in plate-glass manufacture, as a preservative for green hides, and in the manufacture of arsenic acid and arsenic salts. Arsenic acid is used in the preparation of organic medicinal chemicals containing arsenic, and its salts have medicinal uses.

Mark all the uses of this item in the United States. It is used in the manufacture of plate glass, in the preservation of green hides, and in medicinal preparations. What is the production? What are the imports? And what is the value of the whole product? The commission further say:

The domestic production of white arsenic has increased from 1,497 short tons in 1910 to 6,323 short tons, valued at \$1,213,000, in 1918. The 1919 output was 6,029 tons. White arsenic is obtained chiefly in the United States as a by-product of smelting copper and lead ores. Arsenic acid is manufactured by oxidizing white arsenic by means of either nitric acid or chlorine.

Imports of arsenic and arsenious acids from 1908 to 1918 have averaged 2,725,575 pounds, valued at \$126,828, and have come chiefly from Germany, Canada, England, and Belgium. Later statistics follow.

I am not going to take the importations of the nine months of 1921, of 2,705,635 pounds; but I am going to take 7,479,485 pounds for the year 1920 and add it to the production in the United States. That amounts to only 20,000,000 pounds. The value of the whole 20,000,000 pounds, including the duty and everything else, was \$1,339,826. Taking the amount in the year of greatest manufacture in the United States, and that brought in during the year of greatest importation, and adding them together, it gives 20,000,000 pounds, and at 2 cents a pound the tariff would

amount to \$400,000. There is quite a difference between \$18,000,000 and \$400,000. Taking the imports alone the duty would amount to something over \$100,000 at 2 cents a pound during the year of highest importations; but assuming it affected every pound produced in the United States and every pound imported it would amount to only \$400,000, and it has been used in the manufacture of plate glass for the preservation of green hides, in chemical compounds, and for medicinal purposes in all parts of the United States. It is absurd to say that it costs the cotton growers of the South \$18,000,000, when the whole cost for all that was produced, and all that was imported, was \$1,339,826.

Mr. OVERMAN. Whether it is \$18,000,000 or \$400,000 it is a tax of 2 cents in favor of the smelters, and the burden is on the farmer who buys the articles. That is the truth about it, whether it is \$400,000 or \$18,000,000.

Mr. SMOOT. There is quite a difference between the two.

Mr. OVERMAN. It is a burden of 2 cents a pound in favor of the smelters, giving them a tariff on the by-product and imposing a burden on the men who have to buy it.

Mr. SMOOT. Whatever they use, if you can count the 2 cents a pound it would be that much burden upon them; but great quantities of it are used in the manufacture of plate glass, great quantities are used for medicinal purposes, and these figures cover every purpose for which it is used in all the United States, not in one section.

Mr. McCUMBER. Mr. President, I do not think we can get a vote to-day on this schedule, and I am fearful that if we should attempt to call for a yea-and-nay vote we would have difficulty in obtaining a quorum at this hour in the afternoon on Saturday. Under the circumstances I shall not ask for the further consideration of the tariff bill this afternoon. I understand the Senator from Washington has a bill he would like to bring up for very short discussion.

Mr. WALSH of Montana. Mr. President, during the course of the debate a colloquy ensued between the Senator from Idaho [Mr. GOODING] and the Senator from Massachusetts [Mr. WALSH] concerning the importance of the Payne-Aldrich law in connection with the election of 1912, and the statement was made in that connection that the tariff was not an issue in that campaign as between the two wings of the Republican Party. I read from the platform of the Progressive Party adopted in Chicago on August 7, 1912, as follows:

We demand tariff revision because the present tariff is unjust to the people of the United States. Fair dealing toward the people requires an immediate downward revision of those schedules wherein duties are shown to be unjust or excessive.

We condemn the Payne-Aldrich bill as unjust to the people. The Republican organization is in the hands of those who have broken, and can not again be trusted to keep, the promise of necessary downward revision.

So it is a fact that at least one-half of the Republican Party in 1912 was protesting against the Payne-Aldrich law.

Mr. WADSWORTH. Mr. President, may I inquire of Senators in charge of the tariff bill if it is their expectation to reach a vote on the woolen schedule or any important segment of it on Monday?

Mr. McCUMBER. I hope so. I hope to dispose of the first woolen proposition, both as to carpet wool and as to the duty upon scoured content.

Mr. WADSWORTH. I had hoped very much that we would not be expected to vote upon the main portion of the matter—that is, the duty on the scoured content—until Tuesday. There are some of us who have to be away on Monday to fill engagements which we can not very well break. We have been pretty patient in our attendance here for many weeks past, and I had hoped the matter might go over until Tuesday.

Mr. McCUMBER. The Senator can easily understand that we can not continue one step beyond in the schedule until we have first determined the duty upon the wool itself.

Mr. WARREN. As a matter of fact, all the matters relating to wool and wool cloth are related to the rate on the scoured content of the wool.

Mr. McCUMBER. That is necessarily so.

Mr. WADSWORTH. I understand that, of course. I thought there might have been some things passed over in the previous portion of the bill upon which the Senate would be ready to vote, which might be taken up on Monday. However, if the Senator insists—

Mr. SMOOT. I do not think the discussion will be concluded on Monday, I will say to the Senator.

Mr. WADSWORTH. To be frank, there are some of us who would like to have a little consultation about the wool schedule. We would like a little time in which to consult. So far as I am concerned, the consultation is to be carried on in a very friendly manner toward the Committee on Finance.

Mr. McCUMBER. No one can say on any morning whether we will get a vote that day before evening. I hope we shall be able to get a vote upon it on Monday. It will depend upon the discussion.

Mr. WADSWORTH. For example, the Senator from Washington [Mr. JONES] has a bill of immense importance, the river and harbor legislative bill, which he gave notice the other day should be passed at this session of Congress.

Mr. McCUMBER. I hope we can pass it this evening.

Mr. WADSWORTH. I hope so. If not, it can be taken up on Monday.

Mr. McCUMBER. No; I could not consent to that.

Mr. SMOOT. I do not understand that the Senator from Washington is going to ask that the bill he has in charge shall be passed this evening?

Mr. JONES of Washington. No; I do not ask that it be passed to-day.

Mr. WADSWORTH. Very well.

#### NORTH CAROLINA STATE CLAIM.

Mr. OVERMAN. Mr. President, I submit the resolution which I send to the desk and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The Secretary will read the resolution.

The resolution (S. Res. 324) was read, as follows:

*Resolved*, That the Comptroller General of the United States be, and he hereby is, requested and directed to reexamine and restate the account of advances and expenditures made by the State of North Carolina for military purposes in the War of 1812 to 1815 with Great Britain, computing interest on said advances and expenditures according to the rule which was applied in the settlement of a like account of the State of Maryland under provisions of the act of Congress approved the 3d day of March, 1857, and which was afterwards applied to like claims of the States of Massachusetts, Maine (July, 1870), New York, Pennsylvania, South Carolina, and Delaware, and report to the Senate the result of such statement.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. WADSWORTH. I have no objection to the resolution, but I hope the Senator from North Carolina will have better luck than New York had. New York's account was audited and checked up in every conceivable way.

Mr. OVERMAN. I do not know whether we will have any luck. We merely want a statement of the account.

Mr. WADSWORTH. Congress has consistently refused to appropriate the money which it owes to New York.

Mr. OVERMAN. We just want to be put on a par with New York, and get the information.

Mr. WADSWORTH. I wish the Senator better luck than New York has had.

The resolution was considered by unanimous consent and was agreed to.

#### REPORT OF EXECUTIVE NOMINATIONS.

Mr. LODGE. I ask unanimous consent, out of order, to make a report, as in executive session, from the Committee on Naval Affairs of two nominations of chaplains in the Navy, to go to the calendar.

The PRESIDING OFFICER. Without objection, the nominations will be received and placed on the Executive Calendar.

Mr. WADSWORTH. I ask unanimous consent, out of order, as in executive session, to make a report from the Committee on Military Affairs of nominations, to go to the Executive Calendar.

The PRESIDING OFFICER. Without objection, the nominations will be received and placed on the Executive Calendar.

#### RIVER AND HARBOR PROJECTS.

Mr. JONES of Washington. I ask unanimous consent that the Senate proceed to the consideration of the bill (H. R. 10766) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, with the understanding that any objected item or amendment shall go over. I ask simply for the adoption of such amendments as may be agreed to without any objection.

Mr. SMOOT. The Senator will also have it understood that in case there is objection later, after investigation, he will consent to a reconsideration of the vote by which any amendment was agreed to?

Mr. JONES of Washington. I shall ask for a reconsideration of any item that may be adopted to-day in case a request is made for its reconsideration.

Mr. McCUMBER. For that purpose I have no objection to temporarily laying aside the tariff bill for the balance of the day. I ask unanimous consent for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered. Is there objection to the request of the Senator from Washington?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 10766) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which had been reported from the Committee on Commerce with amendments.

Mr. JONES of Washington. I ask that the formal reading of the bill be dispensed with and that the bill be read for action on the committee amendments.

The PRESIDING OFFICER. Without objection, it is so ordered. The Secretary will report the first amendment.

The first amendment of the Committee on Commerce was, on page 2, after line 22, to insert:

Inland waterway from Norfolk, Va., to Beaufort Inlet, N. C.: The Secretary of War is hereby authorized to purchase, as a part of said waterway, the existing Lake Drummond Canal, together with all property rights and franchises appertaining thereto, at a price of not to exceed \$500,000, in accordance with the report submitted in House Committee Document No. 5, Sixty-seventh Congress, second session.

Mr. JONES of Washington. I ask that the amendment may go over. The Senators from North Carolina are interested in it, and there are some Senators who are opposed to it. So I ask that it may go over.

The PRESIDING OFFICER. The amendment will be passed over.

The next amendment of the Committee on Commerce was, on page 4, after line 18, to insert:

Corpus Christi, Tex., in accordance with the report submitted in House Document No. 321, Sixty-seventh Congress, second session, and subject to the conditions set forth in said document.

Mr. WARREN. Mr. President, I notice that the project is predicated upon the report, House Document No. 321. What is the approximate amount of money contemplated by the several projects recommended by the committee?

Mr. JONES of Washington. The obligations upon the Government with respect to those projects reported by the committee will be something over \$2,000,000; that is, for all the projects recommended by the Senate Committee on Commerce.

Mr. WARREN. The total expenditure to be estimated under these amendments of the committee will be something like \$2,000,000?

Mr. JONES of Washington. A little over \$2,000,000.

The amendment was agreed to.

The next amendment of the Committee on Commerce was, on page 6, after line 4, to insert:

Noyo River, Calif., in accordance with the report submitted in House Document No. 679, Sixty-sixth Congress, second session.

The amendment was agreed to.

The next amendment was, on page 6, at the end of line 13, to insert the following additional proviso:

Provided further, That no work shall be done above the Webster Street and Harrison Street Bridges until those bridges have been removed or so altered, in accordance with plans approved by the Secretary of War and the Chief of Engineers, as to provide suitable facilities for navigation.

The amendment was agreed to.

The next amendment was, on page 7, after line 10, to insert:

Umpqua River, bar and entrance, Oreg., in accordance with report submitted in House Document No. 913, Sixty-fifth Congress, second session.

The amendment was agreed to.

The next amendment was, on page 7, after line 16, to insert:

Siuslaw River, Oreg., Acme to entrance, in accordance with report submitted in House Document No. 173, Sixty-fifth Congress, first session.

The amendment was agreed to.

The next amendment was, on page 7, after line 16, to insert:

Lake Washington Ship Canal, Wash., below the locks, in accordance with report submitted in House Document No. 324, Sixty-seventh Congress, second session.

The amendment was agreed to.

The next amendment was, on page 10, after line 2, to insert:

Wrangell Harbor, Alaska, in accordance with the report submitted in House Document No. 161, Sixty-seventh Congress, second session, and subject to the conditions set forth in said document.

The amendment was agreed to.

The next amendment was, on page 11, after line 9, to insert:

Galena River Lock, Illinois.

The amendment was agreed to.

The next amendment was, on page 12, line 2, after the word "authorized," to strike out "and directed," so as to read:

Sec. 5. That the Secretary of War be, and he is hereby, authorized to construct six seagoing hopper dredges for use in improvement and maintenance work on authorized projects on the Atlantic, Pacific, and Gulf coasts, the cost of said dredges to be paid from appropriations heretofore made, or to be hereafter made, for the preservation and

maintenance of existing river and harbor works, and for the prosecution of such projects heretofore authorized as may be most desirable in the interests of commerce and navigation.

The amendment was agreed to.

The next amendment was, on page 13, after line 21, to insert the following new section:

Sec. 9. That hereafter no project shall be considered by any committee of Congress with a view to its adoption, except with a view to a survey, if five years have elapsed since a report upon a survey of such project has been submitted to Congress pursuant to law.

The amendment was agreed to.

The next amendment was, on page 14, after line 2, to insert the following new section:

Sec. 10. That any work of improvement herein adopted, and any public work on canals, rivers, and harbors heretofore adopted by Congress, may be prosecuted by direct appropriations, by continuing contracts, or by both direct appropriations and continuing contracts, as may be provided in any act making appropriations to carry on such works.

The amendment was agreed to.

The next amendment was, on page 14, after line 8, to insert the following new section:

Sec. 11. That owners, agents, masters, and clerks of vessels and other craft plying upon the navigable waters of the United States, and all individuals and corporations engaged in transporting their own goods upon the navigable waters of the United States, shall furnish such statements relative to vessels, passengers, freight, and tonnage as may be required by the Secretary of War: *Provided*, That this shall not apply to the rafting of logs except upon a direct request upon the owner to furnish specific information.

That every person or persons offending against the provisions of this act shall, for each and every offense, be liable to a fine of \$100, or imprisonment not exceeding two months, to be enforced in any district court in the United States within whose territorial jurisdiction such offense may have been committed.

The amendment was agreed to.

The next amendment was, on page 14, after line 23, to insert the following new section:

Sec. 12. That the contract dated July 29, 1921, executed by the Boston, Cape Cod & New York Canal Co., and transmitted to Congress by the Secretary of War and printed in House Document No. 139, Sixty-seventh Congress, second session, is hereby ratified on condition that such company files with the Secretary of War its consent in writing that paragraph 8 of such contract be amended to read as follows:

"8. The payment of the amount herein agreed to be paid, or any part of same, to the said canal company is to be upon the express condition that the Boston, Cape Cod & New York Canal Co. waives, in writing, any and all claims of any nature whatsoever that it may have against the President, the Director General of Railroads, or the United States, and upon such release the Director General of Railroads shall release the company from any claim or demand against the company growing out of Federal control."

Mr. JONES of Washington. That amendment will have to go over. There is objection to it and the Senator from Massachusetts [Mr. LODGE] is not here.

The PRESIDING OFFICER. The amendment will be passed over.

The next amendment of the Committee on Commerce was, on page 15, line 17, to change the section number from "9" to "13."

The amendment was agreed to.

The next amendment was, on page 17, after line 7, to insert:

Gowanus Creek Channel from the foot of Percival Street to Hamilton Avenue, Brooklyn, N. Y., with a view to deepening the same to 26 feet at mean low water.

The amendment was agreed to.

Mr. JONES of Washington. At this point I desire to offer the following amendment.

The PRESIDING OFFICER. The Senator from Washington offers an amendment, which the Secretary will report.

The READING CLERK. On page 17, after line 11, following the amendment just agreed to, insert the following:

Buffalo, outer and inner harbor, and Buffalo Creek, N. Y.

The amendment was agreed to.

The next amendment of the Committee on Commerce was, on page 17, line 16, after the word "navigation," to insert "and extending in a straight line in front of the dock of Edgewater about three-quarters of a mile farther north," so as to make the paragraph read:

Hudson River Channel, along the water front of Weehawken and Edgewater, N. J., with a view to providing a depth of 40 feet at mean low water or such lesser depth as may be necessary to serve the interests of navigation and extending in a straight line in front of the dock of Edgewater about three-quarters of a mile farther north.

The amendment was agreed to.

The next amendment was, on page 17, after line 21, to insert:

Oyster Creek, Atlantic County, N. J.

The amendment was agreed to.

The next amendment was, on page 17, after line 22, to insert:

Shrewsbury River, N. J.

The amendment was agreed to.

The next amendment was, on page 18, after line 4, to insert:  
Manasquan Inlet, N. J.

The amendment was agreed to.

The next amendment was, on page 18, after line 5, to insert:  
Passaic River, N. J., above the Montclair and Greenwood Lake railway bridge.

The amendment was agreed to.

The next amendment was, on page 18, after line 11, to insert:  
Herring Bay and Rockhole Creek, Md.

The amendment was agreed to.

The next amendment was, on page 18, line 22, after the word "with," to strike out "Black" and insert "Back," so as to read:

Channel connecting York River, Va., with Back Creek to Slaughter's wharf.

The amendment was agreed to.

The next amendment was, on page 19, line 4, after the word basin," to strike out "between Craney Island and the city of Norfolk" and insert "in the vicinity of Craney Island," so as to make the paragraph read:

Norfolk Harbor, Va., with a view to providing an anchorage basin in the vicinity of Craney Island.

The amendment was agreed to.

The next amendment was, on page 19, after line 6, to strike out:

Tallahatchie and Coldwater Rivers, Miss., and the tributaries of these rivers, with a view to devising plans for flood prevention and determining the extent to which the United States should cooperate with the State and other communities and interests in carrying out such plans, its share being based on the value of protection to navigation.

The amendment was agreed to.

The next amendment was, on page 19, at the end of line 17, to strike out "Manassa" and insert "Nevassa," so as to read:

Cape Fear River, below Wilmington, N. C., and between Wilmington and Nevassa.

The amendment was agreed to.

The next amendment was, on page 19, line 20, after the word "Mill," to strike out "Cut" and insert "Cut," so as to read:

Mill Cut, North Harlowe, Craven County, N. C.

The amendment was agreed to.

The next amendment was, at the top of page 20, to strike out:  
Savannah River, below Augusta, Ga.

The amendment was agreed to.

The next amendment was, on page 20, after line 1, to insert:  
Waccamaw River from Red Bluff, S. C., to Pireway, N. C., with a view to providing a 4-foot channel.

The amendment was agreed to.

The next amendment was, on page 20, after line 7, to insert:  
Savannah River, below Augusta, Ga.

The amendment was agreed to.

The next amendment was, on page 20, after line 8, to insert:  
St. Johns River, Fla., Jacksonville to Palatka.

Mr. TRAMMELL. Mr. President, I desire to offer an amendment to the committee amendment. In line 9 I move to amend by striking out "Palatka" and inserting "Sanford." My colleague [Mr. FLETCHER], who is the author of the original amendment, wishes to have the change made that is now proposed by the amendment just offered by me, and I, too, desire its adoption.

Mr. JONES of Washington. I have no objection to the amendment proposed by the junior Senator from Florida to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment of the Committee on Commerce was, on page 20, after line 9, to insert:

Bayou Chico, Fla.

The amendment was agreed to.

The next amendment was, on page 20, after line 10, to insert:  
Blackwater Bay and River, Fla.

The amendment was agreed to.

The next amendment was, on page 20, after line 11, to insert:

Suwanee River, from Branford, Fla., to Channel No. 4, near Cedar Key.

The amendment was agreed to.

The next amendment was, on page 20, line 22, after the word "and," to strike out "Mississippi" and insert "Tennessee," so as to read:

Tombigbee River, Ala. and Miss., and canal connecting the Tombigbee and Tennessee Rivers.

The amendment was agreed to.

The next amendment was, on page 20, after line 22, to insert:  
West side Mississippi River at St. Paul, Minn., with a view of establishing a harbor there.

The amendment was agreed to.

The next amendment was, at the top of page 21, to strike out:  
Waterway from Bayou Teche, La., to the Mermentau River.

Mr. JONES of Washington. I ask that the amendment be disagreed to.

The amendment was rejected.

The next amendment was, on page 21, after line 2, to strike out:

Waterway from Lake Charles, La., to the Sabine River, Tex. and La., through the Calcasieu River and the Intracoastal Waterway from Calcasieu River, La., to Sabine River, Tex. and La.

Mr. JONES of Washington. I ask that this amendment also be disagreed to.

The amendment was rejected.

The next amendment was, on page 21, line 10, after the name "Bogue," to strike out "Falaya" and insert "Falia," so as to read:

Chefuncte River and Bogue Falia, La.

The amendment was agreed to.

The next amendment was, on page 21, after line 11, to insert:  
Lake Fausse Pointe, La., with a view to securing a navigable channel by constructing and maintaining a canal from Grand Bayou to Sandy Point, or otherwise.

The amendment was agreed to.

Mr. RANDELL. After line 14, page 21, I move to insert the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Louisiana will be stated.

The READING CLERK. On page 21, after line 14, it is proposed to insert:

Bayou Bonfouca, La.

The amendment was agreed to.

The next amendment of the Committee on Commerce was, on page 21, after line 17, to insert:

Tallahatchie and Coldwater Rivers, Miss., and the tributaries of these rivers, with a view to devising plans for flood protection and determining the extent to which the United States should cooperate with the State and other communities and interests in carrying out such plans, its share being based on the value of protection to navigation.

The amendment was agreed to.

The next amendment was, on page 21, after line 23, to insert:

Intracoastal canal from the Mississippi River at or near New Orleans, La., to Corpus Christi, Tex.

Mr. JONES of Washington. I ask that that amendment be disagreed to, as it is covered by an amendment which was adopted a moment ago.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

The next amendment of the Committee on Commerce was, at the top of page 22, to insert:

Sabine-Neches Canal, with a view to revetment of north bank from what is known as Blands Bend Road, on the north, through the city to the southern limits of said city.

The amendment was agreed to.

The next amendment was, on page 22, line 5, after the word "and," to strike out "Sioux City, Iowa," and insert "Chamberlain, S. Dak.," so as to read:

Missouri River, between Kansas City, Kans., from the upper end of Quindaro Bend, and Chamberlain, S. Dak.

The amendment was agreed to.

The next amendment was, on page 22, after line 8, to insert:

Canoe Creek, Henderson County, Ky., at its junction with the Ohio River, with a view to dredging and establishing a harbor of refuge.

The amendment was agreed to.

The next amendment was, on page 22, after line 13, to insert:

Mississippi River, at Nauvoo, Ill.

The amendment was agreed to.

The next amendment was, on page 22, after line 14, to insert:

Mississippi River, at Dallas City, Ill.

The amendment was agreed to.

The next amendment was, on page 22, after line 17, to insert:

Petoskey Harbor, Mich.

The amendment was agreed to.

The next amendment was, on page 22, after line 18, to insert:  
Cheboygan River, Mich., with a view to being dredged to the depth of 16 feet, from the State Street Bridge to Elm Street, in the city of Cheboygan.

The amendment was agreed to.

The next amendment was, at the top of page 23, to insert:

Illinois River, Ill., with a view to preparing plans, and estimates of cost, for the prevention and control of floods on said river and its tributaries, and to determining the extent to which the United States and local interests should cooperate in carrying out such plans.

The amendment was agreed to.

The next amendment was, on page 23, after line 12, to strike out:

Wilson Harbor, N. Y.

The amendment was agreed to.

The next amendment was, on page 23, after line 16, to insert:

Wilson Harbor, N. Y.

The amendment was agreed to.

The next amendment was, on page 24, line 1, after the name "Niagara River," to strike out:

And Tonawanda Creek.

The amendment was agreed to.

The next amendment was, on page 24, after line 1, to insert:

Tonawanda Creek, N. Y.

The amendment was agreed to.

The next amendment was, on page 24, after line 2, to insert:

Bloomfield Creek, Staten Island, N. Y.

The amendment was agreed to.

The next amendment was, on page 24, after line 10, to insert:

Oakland Harbor, Calif.

The amendment was agreed to.

Mr. JONES of Washington. After line 9, on page 25, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Washington will be stated.

The READING CLERK. On page 25, after line 9, it is proposed to insert:

The Columbia River between the mouth of the Willamette and the city of Vancouver, Wash., with a view to determine whether the United States should maintain the channel if it is deepened to 25 feet by the port commission of Vancouver, Wash.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Washington.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 25, after line 11, to insert:

English Bay, St. Paul Island, Alaska.

The amendment was agreed to.

The next amendment was, on page 25, after line 15, to insert:

Hilo Harbor, Hawaii.

The amendment was agreed to.

The next amendment was, on page 25, after line 16, to insert:

Kahului Harbor, Hawaii.

The amendment was agreed to.

The next amendment was, on page 25, after line 17, to insert the following new section:

Sec. 14. That the jurisdiction of the Mississippi River Commission is hereby extended from Cairo, Ill., to the Head of the Passes and to the tributaries and outlets of the Mississippi River, in so far as they are affected by the flood waters of the Mississippi River.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, that completes the bill with the exception of the amendments which have been passed over.

#### THE TARIFF.

Mr. CURTIS. I ask that the unfinished business may be laid before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7456) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes.

#### RECESS.

Mr. CURTIS. I move that the Senate take a recess, the recess being, under the unanimous-consent agreement, until Monday next at 11 o'clock a. m.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate, under the order previously entered, took a recess until Monday, July 24, 1922, at 11 o'clock a. m.

## SENATE.

MONDAY, July 24, 1922.

(Legislative day of Thursday, April 20, 1922.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. UNDERWOOD obtained the floor.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gooding	Nicholson	Stanley
Ball	Harrell	Norbeck	Sterling
Borah	Heflin	Oddie	Swanson
Brandegee	Jones, N. Mex.	Overman	Trammell
Bursum	Jones, Wash.	Phipps	Underwood
Cameron	Kellogg	Pomerene	Wadsworth
Capper	Kendrick	Ransdell	Walsh, Mass.
Caraway	Ladd	Rawson	Walsh, Mont.
Colt	Lodge	Robinson	Warren
Culberson	McCumber	Sheppard	Watson, Ind.
Cummins	McLean	Smith	Willis
Curtis	McNary	Smoot	
Dial	Nelson	Spencer	
Elkins	New	Stanfield	

Mr. CURTIS. I wish to announce that the Senator from New Hampshire [Mr. KEYES] is detained on official business.

Mr. UNDERWOOD. I wish to state that the Senator from Nevada [Mr. PITTMAN] is absent owing to illness in his family, and that the Senator from Georgia [Mr. WATSON] is absent by reason of illness.

The PRESIDING OFFICER (Mr. LADD in the chair). Fifty-three Senators having answered to their names, a quorum is present.

#### RAILROAD SITUATION IN COLORADO.

Mr. NICHOLSON. Mr. President—

Mr. UNDERWOOD. I yield to the Senator from Colorado for a moment.

Mr. NICHOLSON. I desire to have read a telegram which I have received from citizens of my State, which is self-explanatory.

The telegram was read and referred to the Committee on Interstate Commerce, as follows:

[Western Union telegram.]

DELTA, COLO., July 23, 1922.

SAMUEL D. NICHOLSON,  
United States Senator, Washington, D. C.

At a meeting held in Delta this morning, attended by representatives from Montrose, Coal Creek, Olathe, California, Mesa, Delta, Cedar-edge, Hotchkiss, and Paonia, it was decided that the railroad situation must be relieved or financial ruin faced. Both Delta and Montrose Counties' perishable products are now ready to move. Ten thousand cars is the railroad estimate from the above sections. We ask that the National Government immediately take charge, both as to the labor and management of the railroads, and draft the necessary employees if other means fail. We further represent the National Government is interested financially. Five thousand cars or more come from the reclamation project located in the Uncompahgre Valley. The farmers are obligated to pay the Government, and they now demand protection in moving and selling their crop, so their indebtedness may be met. We also request immediate action be taken to give the Labor Board powers that their mandates may be enforced both against capital and labor.

WALTER J. HOLLANDS, Chairman.  
J. W. SARJENT, Secretary.

#### PETITIONS.

Mr. McLEAN presented a resolution adopted by Bricklayers, Masons, and Plasterers' International Union, No. 22, of Danbury, Conn., which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

BRICKLAYERS, MASONS, AND PLASTERERS'  
INTERNATIONAL UNION, No. 22,  
Danbury, Conn., July 20, 1922.

At a special meeting of Bricklayers, Masons, and Plasterers' Local No. 22, held July 20, 1922, the following resolution was adopted:

"Whereas many thousands of wage earners have been out of employment for the past year; and

"Whereas manufactured goods are coming into our country from Europe, due to the cheap labor conditions, in competition with American labor; and

"Whereas if those conditions are allowed to continue our workers will still be in the army of unemployed, causing great suffering among the workers and their families and reducing the American standard of living with low wages: Therefore be it

"Resolved, That we go on record as favoring the tariff bill now in the United States Senate with the American valuation clause on manufactured goods, and a copy of this resolution be sent to our United States Senators at Washington, D. C."

Membership, 58.

CHARLES JOHNSON,  
Corresponding Secretary.